

is worthy of note that any illustrations you have seen put out by research groups or equipment manufacturers of futuristic trains, if I may call them that, are always on elevated track runs.

Indeed here this applies to the illustrations that have appeared in the Canadian Press of the possibility of such trains operating between Montreal and Toronto. Here you have, I think, a very different situation where you have two million people approximately in Metropolitan Toronto, and slightly over 2.1 million in Montreal. The problems of high-speed operation between Montreal and Toronto are very great and, in addition to this, of course, is the very important problem of density of population.

I am convinced that the vast funds required for this type of operation are beyond the resources of any private company. If it is to be done it can only be done with the backing of government. As a matter of fact, it was just drawn to my attention a few days ago, that the Japanese National Railways are contemplating an extension to the Takata Line beyond Osaka of 300 miles, and the estimated cost at this time, is 1,300 million. This is a measure of what we are faced with. And, incidentally, Mr. Chairman, the last time I was in Japan, the President of the Japanese National Railways, Mr. Shita, gave me a copy of a magnificent film of the Takata Line. It only takes about 20 minutes to show. The Japanese do these films very, very well and, if your Committee, at some time feel that it would be sufficiently interested, we could bring this film up here and show it to members of the Committee or anyone else who is interested in seeing the shape of things in the future in the rail passenger business.

There has also been the suggestion that Canadian Pacific has downgraded its service, deliberately downgraded its service. I would like to refute this suggestion. We have taken off cars from trains where the effective demand had disappeared, and we have taken off trains where, again, we felt there was no demand; but I have insisted for many years that we shall not downgrade the service, because I have travelled on so many of the American trains, over the past 10 or 13 years, where this was done. As a matter of policy, I have insisted that this not be done on the Canadian Pacific. The policy of the company is to provide in the future adequate rail passenger service where there is an effective demand for it.

Another question that has been raised is the possible displacement of employees by the withdrawal of passenger trains. We have almost 50,000 employees in the railway business. There is about a 10 per cent turnover, so that each year we are hiring something in the order of 5,000 people. In addition to this, practically all of our operations operate on a seniority basis. The unions with whom we have agreements have seniority clauses, and there is constant, what is known as bumping or displacement down the line, going on at all times. With the tremendous economy in this country today and the need for freight traffic movement, I do not think that displacement of employees in this regard is as important as has been considered by some people.

It is not generally understood, and I emphasize, that passenger train programme followed by the Canadian Pacific, has been, we think, in the best interests of the people of Canada, and in faithful accord with the Company's obligations under its contract of 1880.

When the Canadian Pacific was incorporated, Canada was little more than a geographical expression. I think there were 170,000 people west of the Great