After completing its study, on motion of Mr. Hanson (Skeena), seconded by Mr. McCulloch, the Committee adopted the Annual Report of the Canadian National (West Indies) Steamships, Limited.

The Committee then went on to the consideration of the Annual Report of the Canadian National Railway System, for the year ended 31st December, 1941.

Mr. R. C. Vaughan, President, was recalled. The witness proceeded with the reading of the Report and was questioned at length on the various headings. He was assisted by Mr. N. B. Walton, Vice-President of Operations; Mr. W. M. Armstrong, Assistant Chief of Research and Development; Mr. T. H. Cooper, Comptroller; and Mr. W. S. Thompson, Director of Public Relations.

In the course of the proceedings, while Mr. Vaughan was on the witness stand, Mr. Pouliot read to the Committee a circular letter from the Canadian Brotherhood of Railway Employees, at Montreal, under date of March 30, 1942. Questions were allowed to be put to the witness on the subject-matter of the circular letter pertaining to the System Adjustment Board but the Chairman ruled that the circular letter would not be printed in the record.

In the course of the proceedings, while Mr. Vaughan was on the witness stand, Mr. Pouliot read to the Committee a circular letter sent by the Railway Company to their employees. Questions were allowed to be put to the witness relating to the subject-matter but the Chairman ruled that the circular letter would not be printed in the record.

At a later stage of the proceedings Mr. Ross (*Middlesex East*) read an article appertaining to the magnificent work performed by the Railways in the United States in connection with the movement of troops. There again the Chairman ruled that the newspaper articles would not be printed in the record of evidence.

At the time of adjournment Mr. Vaughan was still on the stand. The reading of the report was suspended until the next sitting.

At 5.50 o'clock p.m., on motion of Mr. Donnelly, the Committee adjourned to meet again on Friday, May 1st, at 11 o'clock a.m.

ANTOINE CHASSÉ, Clerk of the Committee.