

Senator ISNOR: I hope it will stop there.

Senator KINLEY: I want to refer to page 22, where it deals with the Newfoundland ferry, the Prince Edward Island car ferry and the Yarmouth-Bar Harbor ferry. Is that the whole deficit for the year shown there?

Dr. DAVIDSON: Yes.

Senator KINLEY: That is the entire deficit?

Dr. DAVIDSON: I am quite sure—

Senator KINLEY: For the Newfoundland ferry, the Yarmouth-Bar Harbor ferry and the Prince Edward Island ferry?

Dr. DAVIDSON: I am reasonably certain that these are the full amounts of the deficits because you will notice in the vote wording that these deficits are based upon the certification of the auditor at the end of the year that this is the amount required. The practice is to wait until the end of the C.N.R. fiscal year and then to get a certificate as to the amount of the deficit and to pay on that basis.

Senator KINLEY: Have they had deficits in some cases and surpluses in others, or have they had deficits in all cases?

Dr. DAVIDSON: May I correct my answer? The main Estimates at page 490 show \$11,901,000, and this is merely the additional amount required.

Senator KINLEY: What about the Yarmouth-Bar Harbor ferry by itself?

Dr. DAVIDSON: The amount of money there is \$122,100 in the Main Estimates.

Senator KINLEY: That is a deficit?

Dr. DAVIDSON: Yes, and I gather from the fact that it is not listed here for a further amount that no additional amount beyond that is required.

Senator KINLEY: I hope so. What about the Prince Edward Island ferry?

Dr. DAVIDSON: The amount in the main Estimates is \$4,393,100, and \$138,000 extra was required.

Senator KINLEY: I hope that somebody else but the railroad will be managing it. The deficits don't look like they should be there at all. I don't think all the ferries should have a deficit. The Prince Edward Island ferry is always loaded with passengers, and I know that the Newfoundland ferries have been having trouble because the boat is not big enough. The one from Yarmouth to Bar Harbor has been doing very well too. It surprises me that the deficits there are so much.

Dr. DAVIDSON: The deficit for the Yarmouth-Bar Harbor ferry is \$122,100.

Senator KINLEY: What about the one to Newfoundland—how much is that?

Dr. DAVIDSON: There was \$11.9 million in the main Estimates—but there is more than one ferry there.

Senator KINLEY: It seems to me that that deficit should not be there. I am afraid the railroads are not marine-minded.

Senator BURCHILL: The \$128,000 for the Prince Edward Island ferry is not bad.

The CHAIRMAN: Any further questions? Have you any further \$1-item questions, Senator Grosart?

Senator GROSART: Yes, I have one, referring to page 30.

Dr. DAVIDSON: Page 30—Loans and Investments item—that again is a purely technical provision. The Department of Transport revolving fund carries the cost of accumulating inventories on a wide variety of parts and equipment purchased at various times at prices that can vary. You may purchase an article for \$1.50 in one year and then a year later you may purchase a further supply of the same article for \$1.57.