

MINUTES OF EVIDENCE

HOUSE OF COMMONS, ROOM 277.

March 19, 1937.

The Select Standing Committee on Railways and Shipping met at 11 o'clock Mr. A. M. Young, acting chairman, presided.

The ACTING CHAIRMAN: We will take up this morning the report of the merchant marine; but before doing so there are a few questions that were asked yesterday to which the management will make reply this morning.

Mr. ARMSTRONG:

Question by Mr. Deachman: What is the lowest operating ratio in the United States?—*Answer:* The following are examples of United States steam railways with low operating ratios:—

Railway	Operating Ratio in 1936
Chesapeake & Ohio	51·7
Bessemer & Lake Erie	49·1
Duluth, Missabe & Northern	44·0
Norfolk & Western	52·9
Virginian	44·6
Monongahela	38·6

Each of these railways is a heavy tonnage road handling large quantities of coal or ore.

These low ratios are in large measure due to extremely high traffic densities.

The next is:—

Question by Mr. Walsh: Who pays salaries in connection with Canadian Car Demurrage Bureau?

Answer: The total expenses of the Bureau are divided between all railways in Canada who are members of the Bureau. The proportion contributed by each member railway is based on the ratio of the cars loaded and unloaded on its lines, to the total cars loaded and unloaded on all member lines.

Then we have:—

Question by Mr. Ryan: What is the amount of coal purchased from New Brunswick mines and Nova Scotia mines for the year 1936?

Answer: New Brunswick, 130,538 tons; Nova Scotia, 1,253,169 tons.

Mr. HEAPS: May I ask about prices?

Mr. VAUGHAN: We have not these—just tons.

Mr. RYAN: Why the disparity? Why is there so little New Brunswick coal purchased in comparison with Nova Scotia coal?

Mr. VAUGHAN: I think that question is very easily answered. In the first place the quality of New Brunswick coal, generally speaking, is not comparable to the better grades of Nova Scotia coal. In the next place the distribution of our coal is worked out entirely on an economical basis taking into consideration the cost of the coal and the cost of haul to the point of consumption. We feel we