

Mr. HANBURY: May I repeat that the figures given by Mr. Fairweather this morning with regard to ratio to operating was 2·75 for class 1 roads and 2·24 for Canadian National.

Mr. FAIRWEATHER: That was expenses.

Mr. HANBURY: And then with regard to total wages paid the ratio is 4·41 for class A roads and 3·32 for the Canadian National.

Hon. Mr. MANION: I did not hear those figures.

Mr. GEARY: Yes.

Mr. FAIRWEATHER: I will repeat them, sir. I say again it is extremely difficult to find any single basis of comparison which is sound, but on a gross revenue basis class 1 roads show 2 per cent and C.N.R. 2·16 per cent.

Hon. Mr. MANION: That is higher than the percentage in the revenue of the C.P.R.

Mr. FAIRWEATHER: On operating expenses, class 1 roads 2·75 per cent, C.N.R. 2·24. Now, the explanation of that is that our operating ratio is a good deal higher than the average class 1 road and that again is due to the fact chiefly that we have less density of traffic; we have greater overhead to do the same amount of business proportionately than they have. On the total wages paid, including capital expenditures, class 1 roads 4·41 per cent, Canadian National 3·32 per cent.

Hon. Mr. MANION: I did not hear the last figures, but I would not admit from those figures that the Canadian National was in any way being starved—I do not mean literally starved—in regard to salaries paid or in regard to executive services.

Mr. HANBURY: Would you suggest that the salaries of these executives are comparable with other class 1 railroads throughout America?

Hon. Mr. MANION: Mr. Hanbury, according to the best information I could get, yes.

Mr. HANBURY: As a matter of fact, that was not the point I was coming to, because Dr. Manion has been making the statement that we have done much better.

Hon. Mr. MANION: Now, Mr. Hanbury is again mixing up statements in regard to this. What I stated on other occasions—not here, but on other occasions is that we did cut down by some \$2,000,000 unnecessary officers who could be eliminated without interfering in the efficiency of the road, and I adhere to that statement. That does not affect these figures. At the present time my submission is that the Canadian National is treating its officers exactly the same as other class A roads, and I do submit at the same time—and I am not saying this for political effect—that three years ago or four years ago the Canadian National had far too many highly paid officers who were not earning their money.

Mr. HANBURY: That was evidently the condition in every class 1 railroad.

Hon. Mr. MANION: I am not going to argue about other roads.

Mr. HANBURY: I am not arguing that point; I am arguing the comparison.

Hon. Mr. EULER: I think what you want to do with regard to salaries is to keep a proper morale among the officials so that they will feel satisfied.

Hon. Mr. FULLERTON: That is the whole point.

Hon. Mr. EULER: And in addition to that to make reasonably certain that the wages we pay are not so low that our men will be taken away by competitive roads.