

you were not thinking perhaps in terms of 1957 orders, just in case you might want to place them this year.

Mr. GORDON: No, we will come back next year for that, although the delivery of these cars may extend to 1957.

Mr. HAMILTON (*Notre-Dame-de-Grâce*): One more question along that line—because you mentioned the possible switch from one type to another. How closely are you bound by the totals voted under this budget? For example, T.C.A. when they come to us set forth their budgetary requirements under certain headings, and they can increase or decrease those by 10 per cent within that particular heading provided they stay within their total allotted budget. Now, in your particular case are you free, for example, to move a budgetary item that we have allotted for perhaps new equipment over into some other field?

Mr. GORDON: No; and furthermore, what I have summarized for you here is the classifications. You will see, for example, I have put down 273 locomotives. I would feel free to buy any kind of locomotive, but I would not feel free to decrease the number of locomotives and buy freight equipment instead; we intend to order 8,290 units of freight equipment. I would not feel free to switch from that into buying locomotives.

Mr. HAMILTON (*Notre-Dame-de-Grâce*): Now, you don't put down opposite these various items the dollar amounts. You just give us the total amount. I suppose that is to leave you free in the competitive market?

Mr. GORDON: I do not want to estimate the figures we think we will have to pay because that lets the competitors know what my idea of price is; but I can give you a dollar total for the four main headings quite easily.

Mr. HAMILTON (*Notre-Dame-de-Grâce*): No, I would not even press you that far, because it might be at some point used by some competitor.

Mr. GORDON: That is right, they could average it out.

The CHAIRMAN: Shall the page dealing with "New Equipment" carry?

Mr. HAMILTON (*York West*): Mr. Chairman, on the last item which is only a very small one, of course, \$1 million, can you just give us an outline of what that would be spent for?

Mr. GORDON: That is purely for experimental equipment. We would like to have \$1 million in our research and development work. Well, for instance, we are building a prototype of a pulpwood car. We are designing a car for carrying pulpwood much more efficiently, and we want some money to see what we can do about that. The reference there is also to an auto transporter car. We have designed in our own research laboratories a car which we think will enable us to carry eight automobiles in a box-car instead of roughly three or four.

Mr. HAMILTON (*York West*): I am specifically wondering if within that total it includes any further work on that special track laying method we have been reading about?

Mr. GORDON: No, this is rolling stock only.

Mr. BELL: Mr. Gordon, in this budget there are not any new private cars evidently?

Mr. GORDON: No, there are none this year.

The CHAIRMAN: Shall the item carry?

Carried.

"Hotels"?

Mr. BELL: On hotels, I wonder if we could have a separate income statement of the hotels like we had last year. I don't think they have been given and I remember last year we had them.