

express or not having an express, the express is profitable. The same thing applies in regard to the telegraphs. As between having a commercial telegraph business and not having it, the telegraph business is profitable; but if you charge it with its full portion of overhead, then it is on a narrow margin or actually unprofitable.

Mr. HANBURY: What estimate, if any, has been made of the economies that will be effected by this amalgamation?

Mr. FAIRWEATHER: They are being investigated, naturally. Preliminary estimates have been made, and we are now going over them and checking them up in greater detail, and I should say the thing is in the course of study.

Hon. Mr. MANION: Even if this bill goes through, you may not come to an agreement with the C.P.R.? It may not be carried out. Both companies are studying the question. This bill is to permit you to come to the position where you can unify.

Mr. HANBURY: I think if we are being asked to give consideration to this bill, we should have information as to what economies will be effected, what percentage of savings would come out of the total cost of operations, and particularly what labour is going to be displaced.

Hon. Mr. FULLERTON: It would be impossible to give that information, because we have not arrived at it yet. As I pointed out, the bill is merely an enabling bill. We have to agree first, before anything can be done.

Mr. HANBURY: We are being asked to support a measure the effect of which we do not know.

Hon. Mr. FULLERTON: All I can say is, we naturally would not make an agreement unless we can make substantial economies.

Mr. POWER: Take it from the other angle. Surely the C.P.R. officials and the C.N.R. officials can tell us the number of personnel involved; that is to say, how many persons are employed in the Canadian National Telegraph services, and how many in the Canadian Pacific Telegraph services, how many employees are in the Canadian National Express services, and how many there are in the Canadian Pacific Express services. I think that information should be readily available, and the natural corollary is how many will be displaced?

Hon. Mr. MANION: May I just deal with one point in reply to Mr. Fairweather, and I should like him to listen to this. This is some information given to Mr. Fairweather before the Duff Commission, a copy of which was sent by the chairman to each member of the committee. This is a rather interesting excerpt from the evidence given by Mr. Fairweather at that time.

I read this only yesterday because I expected a discussion on those two bills. I noticed that Mr. Fairweather made an estimate to the Duff commission as to the possible savings, and he said, on the basis of the 1931 traffic, the savings in express by some such methods as this, would be \$500,000, and on the telegraphs, \$600,000, and on a normal traffic basis, between \$600,000 and \$700,000. I mentioned that because it gives a rough estimate. I do not presume Mr. Fairweather went into it very fully; anyway, it is his own estimate, made before the Duff commission.

Mr. FAIRWEATHER: Yes, these are the figures I gave to the Duff commission. They are subject to the same reservation I explained the other day, as I explained it to the commission. I made that estimate, yes.

Mr. BEAUBIER: You undoubtedly took the labour question into consideration, and how many employees would be affected.

Mr. FAIRWEATHER: Every cent is labour. Speaking as an economist, every cent of that eventually is labour.

Hon. Mr. EULER: Maintenance of lines?