

Mr. FULTON: Does the fact that the run is not now being operated have any effect on the amount of this item?

Mr. GORDON: It would have an effect to this extent, that the *William Carson* is not carrying its full load to Argentina. It is only being used as a temporary service and when it goes into its regular run from North Sydney to Port aux Basques there will be an increase in revenue, I assume. I don't know, but I assume that the amount of the deficit would be reduced.

Mr. BELL: Any of the other expenses in connection with the changes that have to be made regarding the *William Carson* would not be shown in this item?

Hon. Mr. MARLER: No, they will come on the vote in the Public Works Department.

The CHAIRMAN: Moved by Mr. Batten, seconded by Mr. Bell, that this vote carry.

Carried.

Vote No. 466, Maritime Freight Rates Act.

Moved by Mr. Murphy, seconded by Mr. St. Laurent (*Temiscouata*), that vote 466 carry.

Carried.

Vote No. 467, Canadian National (West Indies) Steamships Limited deficit, 1956.

Moved by Mr. McCulloch, seconded by Mr. Byrne that vote 467 carry.

Carried.

Now then, there are the auditors' reports for the Canadian National Railways, first. We have with us today Mr. Turville and Mr. Morison, the auditors. Before we deal with the auditors' report I wish to take this opportunity of thanking Mr. Donald Gordon and his associate from the Canadian National Railways for the presentation that they have made in connection with the report of the Canadian National Railways and Canadian National (West Indies) Steamships Limited.

Are we ready to hear the auditors' report?

Mr. CARRICK: I move the report be taken as read.

The CHAIRMAN: Moved by Mr. Carrick, seconded by Mr. Batten that the report be taken as read.

GEORGE A. TOUCHE & CO.

CHARTERED ACCOUNTANTS

Cristine Building

410 St. Nicholas Street

Montreal 1

7TH March, 1956.

CANADIAN NATIONAL RAILWAY SYSTEM

The Honourable The Minister of Transport,
Ottawa, Canada.

Sir,

We have audited the accounts of the Canadian National Railway System for the year ended 31st December, 1955 under authority of the Canadian National Railways Act, and we now report, through you, to Parliament.