

would take considerable time; but I felt that if you had a background of independent figures from independent experts the negotiations would be greatly facilitated, to say the least, and we would have a lot of information on the subject which probably could not be successfully attacked by either railway.

Q. I have appreciated, I fancy, as fully as anybody here the difficulty of following these technical problems with regard to matters relating to railway operation, of which I know nothing. But would it be possible in your opinion to employ a firm of engineers who would be completely free from any prepossessions?—A. Oh, yes, there are firms. Of course they are American firms, but they have in them Canadians who have done this very same kind of work in connection with American railroads, and are capable of producing very competent reports.

Q. And are there firms which, if selected by the Government, you would be quite satisfied to rely upon?—A. Yes. As a matter of fact, I think if a selection were made it should be made by the Government and ourselves, so there would be no question of any influence.

Q. You do not think there would be any difficulty in reaching an agreement between you and the Government?—A. No.

Q. On the question of a competent firm?—A. No.

Q. Whose report could be relied upon by both of you?—A. I do not think there would be any difficulty, because the firms have an international reputation.

*By Hon. Mr. Calder:*

Q. And that firm would make a report only of facts, and no recommendations?—A. They could report on facts. They would have to develop the facts first, but from those facts they could draw certain deductions and the Government could weigh their importance.

*By Hon. Mr. Dandurand:*

Q. I could quite understand that on certain lines an accounting firm could proceed and indicate what would be the advantages or benefits to be obtained, but I am wondering if there is not a large field which is based upon different conditions affecting the whole physiognomy of the railway system which would have to be indicated to these accountants before they could give an estimate of what the savings would be.—A. These men would be engineers. They would make a complete inspection of the physical properties of both railways as well as go through their accounting practices and would reconcile and adjust their accounting figures. But not the least important part of their work would be the physical examination of the properties.

*By Hon. Mr. Calder:*

Q. Have they had such experience?—A. Yes. Railroading is railroading all over the world, and being familiar with the American situation they would not meet many surprises over here.

*By Hon. Mr. Dandurand:*

Q. Is it in your mind that they would make recommendations as to certain economies which could be made by altering the routing of railways and so forth?—A. Certainly. I would think so. I would think that would fall within the purview of their instructions, Senator, and I do not know why they should not do it. They could certainly go a long distance. They would have, of course, to sit in with the officers of the two railway companies all the way through. They would have to get not only their data but the knowledge that these men possess as to local conditions. It might take six or nine months because it is a large piece of work.

[Sir Edward Beatty, G.B.E.]