

be a small proportion of the units that could be used to economic advantage. We have now on order for spring delivery—some of these have already been received—six battery cars with a carrying capacity of about 50 people, costing slightly over \$40,000 apiece. We think we ought to increase the number of these cars.

The CHAIRMAN: Do you buy these only as you know whether you are going to need them?

Mr. HENRY: As funds can be provided. We have to distribute our estimate over as large a time as possible. That is really the governing factor. That is, generally speaking, what our experience has been.

Mr. GAUVREAU: Mr. Chairman, I have not been here for the last meetings. May I put a question before I leave?

The CHAIRMAN: Certainly.

Mr. GAUVREAU: It is about the pension fund for the employees. I see here on page 11 "A pension scheme for the whole system is under consideration." I would like to know if there is any prospect of this scheme being put into effect soon.

Mr. HENRY: There was a committee of officers appointed a year ago to investigate the various possible pension schemes.

Mr. GAUVREAU: For the whole system?

Mr. HENRY: For the whole system. That committee has put in a report upon it, and the management now has it under consideration. The amount of money involved in it is quite large, as you can appreciate.

Mr. GAUVREAU: If the Board arrives at any conclusion, will this be submitted to the employees and also to Parliament?

Mr. HENRY: As a matter of fact the employees themselves have already been consulted.

Mr. GAUVREAU: I know where I come from we are anxious to know when that is going to come into effect.

Major BELL: I can probably explain that. There was a committee appointed which went into the whole matter, and they were in consultation with the employees almost continuously. A Bill was drafted to submit to the government and regulations were drawn up, and it came up before the sub-committee of the Board of Directors. After we had gone into it we found that the information obtained was not sufficient to inform Parliament as to what the cost would be. Going roughly into the scheme it looked as if the cost were going to be enormous, and that the scheme would have to be modified. It was referred back to the committee and an actuary has been engaged who is going into the matter very thoroughly, and then they will consult with the employees again, and when the scheme is in shape it will be submitted to the Board, and we hope to have the pension scheme ready for submission to Parliament next session. It cannot possibly be done this year.

Mr. MACKINNON: Item 401. There is an increase on that of \$100,000. What is the explanation of that?

Mr. HENRY: That is due entirely to increased business. Last year we handled 8,000,000 more tons than in the previous year. That required more trainmen, and generally more employees of that character.

The CHAIRMAN: I suppose that would be the reason for the increases that you see, pretty generally all along the line.

Mr. HENRY: You could say that pretty well with regard to the whole transportation group. Transportation varies fairly well with traffic.

Mr. STEWART: Changes in wages do not materially enter into this?

Mr. HENRY: I do not think there were any changes last year.