

Q. I notice you mention in your brief that you will be prepared to serve the needs of Canada and that there is a gas supply available to meet the needs of Canada and each of the districts you want to serve in the United States. Are you taking into account there the present needs of Canada or are you considering possible future needs?—A. Future needs. We have discussed and will discuss with the vital companies and authorities to try to get as nearly as possible what the consumption of gas say for the next fifteen or twenty years will be and that amount of space will be reserved for Canada.

Q. I notice from the map and figures given us on routes A and B that route A costs \$11,749 per mile more to build than does route B. Can you explain the difference to us? I have divided the total mileage by the cost in each case.—A. You are referring to the cost per mile?

Q. Yes, I simply divided the mileage given in each case by the total cost and I find that there is a difference on route A, of \$11,749—more than the cost for route B?—A. It is so much more expensive than route B because of the terrain.

Q. It is due to the nature of the country?—A. Yes.

Q. Would you be prepared to tell us now just what are the disadvantages of route A from your point of view?—A. Difficulty of maintenance—that is the chief thing. The fact is that it will be extremely difficult to keep the line in continuous operation—that is the chief disadvantage. Any line going through a country with heavy snowfalls and poor access—if you have a break, will always be difficult to repair quickly. There will be apt to be more breaks than on route B.

Q. More breaks in route A than on route B?—A. That would be reasonable to expect because it is going through side hill country where you may have slides. Fortunately the worst part of that is near a highway which is being kept open at great expense by British Columbia—that is through Allison's Pass.

Q. Would you consider the difference in cost a disadvantage?—A. That is not nearly as much a disadvantage as the difference in maintenance because a line that is not running continuously and regularly 365 days a year, year after year is something that is very hard on the people it supplies, and terrific on the management.

Q. In other words you tell us that route B has a number of disadvantages over route A?—A. It has advantages, yes. It is obvious and anyone can see that across a flat plain with a fairly mild climate and fairly small snowfall, a line would be much easier to maintain. Route A however has political advantages.

Q. Am I justified then in my conclusion that you have a preference for route B?—A. No, because politics could take the place of the engineer.

Mr. NOSEWORTHY: Thank you, sir.

By Mr. Byrne:

Q. Mr. Dixon, the towns you have mentioned as being on the Crow's Nest Pass route—Natal, Michel, Fernie, and so on, are towns where the principal industry is coal mining. What in your experience has been the immediate economic repercussion on such towns whose markets are, I would say almost, 100 per cent within the area to be supplied by the pipe line?—A. Two things—one is the economic effect of selling gas in the towns.

Q. No, no, I refer to the markets.—A. In the markets of course, if you can sell gas in the markets, you can destroy the industry. But most of those towns sell their coal to the east. The great market for coal is going east not west. And as our line is going in the other direction from most of their markets, I do not think it will have a very great effect on the coal market.

Q. But is it not true for most of the area from the Rocky Mountains west, that the coal might go into the northwest Pacific as well as into Trail?—A. Some of it goes to the northwest Pacific and a great deal of it is used as stoker coal. But in going northwest it is oil we would be competing with chiefly.