

Mr. KINLEY: Do you know what your rate amounts to?

Mr. ARMSTRONG: I could not say offhand.

Mr. HANSON: Does the item include payment to anyone hurt on the train?

Mr. ARMSTRONG: Yes.

Mr. KINLEY: Are you not insured against injuries to travellers?

Mr. ARMSTRONG: No, we are not.

Mr. HANSON: It is paid in each individual case?

Mr. HUNGERFORD: Yes.

Mr. MCKINNON: I note quite a vast difference in the prices paid for ties in 1935 and 1936. Does that mean that there are more ties purchased or that a higher price is being paid for them?

Mr. HUNGERFORD: Both price and quantity are involved.

Mr. KINLEY: I would like to find out what the compensation costs. It is quite a moot question as to whether paying the losses or paying premiums is the best thing to do. All other industries pay premiums.

Mr. DEACHMAN: But they are bigger.

Mr. KINLEY: They assess the loss. That is actual. They do not put a rate on; it is actual loss. Could you furnish that information please, as to the cost of your compensation rate?

Mr. ARMSTRONG: You mean the amount paid in compensation proportionate to the revenues or expenses?

Mr. KINLEY: Yes, it is on your payroll.

Mr. ARMSTRONG: We have it included with several other accounts. That is all loss, damage and injury, and it works out at 1.28 per cent of the revenue for the Canadian National as compared with 1.32 per cent for class one roads.

Mr. KINLEY: That is a very low rate?

Mr. ARMSTRONG: Yes.

Mr. HANSON: The item of Public Improvements—Maintenance is about \$200,000 different this year as compared with last year. What is the main increase?

Mr. McLAREN: We will look it up and give it to you in a moment or two.

Mr. ELLIOTT (*Kindersley*): In connection with the erection of snow fences have you had any claims for damage to property as the result of the use of snow fences?

Mr. HUNGERFORD: We have received such claims at different times from different places but I cannot give you anything definite about that.

Mr. MCKINNON: Mr. Chairman, I am still rather curious about the tie situation. I asked if that difference meant more ties purchased or a higher price paid. What is the average price of ties last year and this year?

Mr. McLAREN: In 1936 treated ties were \$1.26 as against \$1.35 for 1935. Untreated ties in 1936 cost 56 cents as against 54 cents.

Hon. Mr. HOWE: Averaged over the whole system.

Mr. McLAREN: Yes.

Mr. MCKINNON: Most ties are treated nowadays, are they not?

Mr. HUNGERFORD: No; I suppose about one-third.

Mr. HANSON: Have you found that item about public improvements—maintenance?

Mr. McLAREN: No, not yet.

The ACTING CHAIRMAN: If there are no further questions to be asked with regard to the items appearing on page 13, we will pass to page 14: Maintenance

[Mr. J. B. MacLaren.]