

There is considerable mail between stations west of Edmonton on the one hand and Vancouver and contiguous territory on the other hand which is now routed via Calgary and the handling of this mail on C. N. R. trains 1 and 2 would be quickened 24 to 48 hours.

Item 2—Toronto-Winnipeg service—A full postal car operates Toronto-Vancouver on Canadian Pacific Trains 3 and 4, and the estimated annual mail earnings thereon are \$800,000. In addition to the through service there is local service on other trains between Toronto and Sudbury.

Canadian National Toronto-Winnipeg Trains Nos. 3 and 4 operate via Capreol, Longlac and Nakina, and the only mail service authorized thereon is baggage car service—a 3-foot unit between Sudbury and Longlac.

We ask that the service on Canadian Pacific Trains 3 and 4 be reduced to apartment car service between Toronto and Winnipeg, and that apartment car service be authorized on Canadian National Trains 3 and 4.

With an apartment postal car service on these trains, which stop at all important stations en route, the public can, where the traffic warrants it, be given a daily service and the delivery of mail will be quickened as follows:—

Mail between Ontario points south of Sudbury to stations between Sioux Lookout and Winnipeg is now handled via Winnipeg. Direct service on trains 3 and 4 would quicken the delivery of this mail by over 24 hours. A letter between Sudbury and Armstrong is now handled via North Bay and Cochrane. Handling on Trains 3 and 4 would expedite delivery by 48 hours.

Mail between Ontario points and C. N. R. points west of Winnipeg would be greatly expedited and transfer of such mail at Winnipeg would be eliminated which would tend to reduce Post Office transfer expense at Winnipeg.

Eastbound mail from C. N. R. stations west of Winnipeg for Eastern Canada arrives Winnipeg in the morning after departure of C. N. R. train No. 2 for the east, and as a result goes forward on C. P. R. No. 4 from Winnipeg in the evening, resulting in a delay of from 8 to 12 hours or more in delivery at destination, and in a great many cases the delay will be 24 hours.

A letter from Melville, Sask., to Toronto, when handled on the C. P. R. east of Winnipeg arrives Toronto at 4.00 p.m., Standard Time, meaning delivery the following day, whereas if handled on the C. N. R. No. 4 from Winnipeg to Toronto the arrival time at Toronto is 7.20 a.m., and delivery would be made the morning of arrival. The same is true of every other local point west of Winnipeg.

Item 3—Overseas Mail ex Steamers, Quebec. At the present time Overseas Mail traffic ex steamers, Quebec, is divided between the two lines—mail arriving on Canadian Pacific steamers going forward C. P. R. rail, and mail arriving on Cunard and White Star-Dominion Line steamers going forward C. N. R. rail. The Canadian National Railways can give the service required and can handle a much greater volume of traffic with the cars now required for this service. It is estimated that the routing of all of this traffic via the Canadian National Railways would provide additional mail revenue of \$31,000 per annum.

Item 4—Overflow Mail Traffic Toronto-Montreal. The main mail services between Toronto and Montreal are now handled by the Canadian National Railways, the service along the Canadian Pacific lines being confined to that required by the public, with the exception that on three nights per week a car of overflow mail is routed C.P.R., Toronto-Montreal—during the balance of the week this overflow car being handled by the Canadian National Railways.

The equipment used by the Canadian National Railways stands idle on the days the Canadian Pacific handles this traffic.

The estimated annual earnings on this traffic now handled by the Canadian Pacific Railway is \$15,878.56.

General:—In connection with equipment for the handling of this traffic, please note the following:—

Item 1—Montreal-Vancouver: Equipment will be available in August.

Item 2—Toronto-Winnipeg: Equipment is now available.

Item 3—Overseas mail ex Quebec: Equipment is now available.

Item 4—Overflow Mail Toronto-Montreal: Equipment is now available.

It appears it should be possible to make arrangements whereby this mail traffic can be routed via the Canadian National Railways without any increase in operating expenses to the Post Office Department.

The CHAIRMAN: Any further questions to ask the witness?

The witness discharged.

The CHAIRMAN: Shall we go on now with the estimates?

[Mr. R. L. Fairbairn.]