

It has also been said in these representations by this company and the others interested that railway companies should reduce their expenditures every year and more especially reduce their overhead by reducing the wages of their employees, but by referring to the reports made by the presidents of the Canadian National Railways and the Canadian Pacific Railway Company, we can see that their operating expenses have decreased each year, although their net profits perhaps are not as great. Apart from this, our railways are efficiently managed. Let us compare with the United States roads the number of tons of freight handled per mile and per employee. We find the average number of tons handled by the Canadian Pacific Railway to be 267,836, and by the Canadian National, 195,808. The average for Canada is 231,872 and for the United States 220,000 per employee. So hon. members can see that Canadian roads handle 11,872 tons more a mile for each employee than United States roads do. Going further, an editorial in the Railway Age gives the following figures, and I might state that these figures have been used in other parliaments and for the same purpose, so far as I have been able to learn. I believe they are figures that can be substantiated. The Railway Age states that the average wage paid for 1923 by the Canadian National was \$1,421, by the Canadian Pacific, \$1,482, and by United States roads, \$1,588. The Minister of Railways and Canals (Mr. Graham) in his report states that the average hourly rate of all employees, including the president down to the lowest employee, is 64 cents. If we take the average earnings of railway men in Canada, the United States, Italy, Germany and Switzerland, we find that Canada has the lowest labour cost per ton mile of any country in the world. The statistics are as follows:

Country	Average wage	No. of employees required to move 1 ton 1 mile	Labour cost per ton mile Cents
Canada.. . . .	\$648	5	3.24
United States.. . . .	757	5	3.78
Germany.. . . .	409	23	9.40
Italy.. . . .	377	24	9.04
Switzerland.. . . .	365	31	11.31

I would take it from these figures that the cost in regard to handling freight per ton mile is less in this country than in any other country in the world, if you take into consideration the average wages, the labour cost per ton mile and the number of employees.

As regards the effect of wages of railway employees on freight rates, hon. members will remember that during the war the cost of living increased very rapidly and that wages

[Mr. Humphrey.]

were increased in an effort to keep up with the increased cost of living. It is significant that living costs increased first, and this is absolute proof that increased wages were not the cause of the increase in the cost of living. Railway wages never overtook the cost of living. The peak was reached in 1920, since when the 200,000 railway employees in Canada have had their wages cut and conditions changed so as to reduce their earnings by approximately \$45,000,000 annually. The wages of employees were not increased from 1913 to 1918. Nevertheless the cost of living increased each year, and in 1920-21 there was a cut of something like 15 per cent in the wages of railway employees, amounting yearly to the sum of \$45,000,000. This, I think, is the largest voluntary contribution by any class of workers.

I should like to make a further quotation regarding increases that have taken place since 1913 in wages paid in other occupations, as it was stated in the representations made by the Tudhope, Anderson Company that wages paid railway employees were far in excess of those paid to other industrial workers and had increased more. These figures were taken from the Canadian Annual Review for 1923, and using the index number of 100, the year 1913 and the year 1923, the wage increases are as follows:

Occupation	Index 1913	Index 1923
Building trades . . . . .	100	166.4
Metal trades . . . . .	100	174.0
Printing trades . . . . .	100	188.9
Coal mining . . . . .	100	197.8
Common factory labour . . . . .	100	181.7
Miscellaneous factory labour . . . . .	100	196.1
Lumbering . . . . .	100	170.4
Electric railways . . . . .	100	186.2
Steam railways . . . . .	100	157.4
Cost of living, wholesale prices . . . . .	100	153.0

This shows that wages of railway employees increased only 57.4 per cent, which is the smallest increase for any of those industrial workers from 1913 to 1923, and the cost of living increased about 53 per cent.

Going further in regard to representations made by these different corporations that railway wages are the cause of high freight rates, we find that the different manufacturing industries that are clamouring for a reduction in freight rates and claiming that railway wages are the cause of high freight rates have certain startling figures to produce in regard to the administration of their own businesses. I should like to refer to remarks made by the hon. member for Neepawa (Mr. Milne) in speaking to the budget a year ago. I believe he quoted certain figures showing the cost of making binders in 1913 and 1923, and the