

*By Mr. Stewart:*

Q. You spoke of putting on two compartment cars service instead of one full car on the Canadian Pacific?—A. In that case we might have to adjust the rates somewhat.

Q. How would we stand, at the present time, with two compartment cars? It would cost— A. It would cost five cents a mile more. The rate for the full car is 35 cents, and for an apartment car is 20 cents.

*By Major Bell:*

Q. Under your plan there what would the two lesser units cost?—A. 40 cents, 20 cents each, but the Postmaster General is not anxious to increase the expenses of the Department, and we are not anxious to increase them, but I think we can find some good grounds on which to work that part out.

*By Mr. Stewart:*

Q. Have you any figures of what that would mean?—A. A change in service would have to be by Order in Council and the Cabinet would have to be satisfied on the expense part of it.

*By Mr. Kyte:*

Q. Would this reduce the money to be paid to the C.P.R.?—A. Yes, sir.

*By the Chairman:*

Q. Decrease it exactly to the extent that it would increase the Canadian National?—A. Yes.

Q. Which you have based on the relative mileage of the two systems?—A. Yes.

*By Major Bell:*

Q. As a matter of fact, you have got to take a letter from Hearst, for instance, to Armstrong—it comes down to North Bay, and then is carried along this long route to Winnipeg and back again. All that would be cut out. You would only be carrying it the 375 miles, so on the total of the year, even by paying 40 cents for these two lesser units, instead of 35 cents, the chances are it would even up?—A. It would make a considerable reduction.

Q. In other words, we are wasting money by sending it all around the country, and this would even it up?—A. Yes.

*By Mr. Harris:*

Q. I gathered from the conversation between the Chairman and yourself that the cost would be exactly the same?—A. That is what would have to be worked out. It is not only a case of having it cost the Post Office Department more money; the Canadian National Railway feels it is entitled to more mail revenue, and there is no question but the public throughout Canada will be given a more efficient mail service. I think that is one of the prime considerations.

Q. Will you explain the difference between the 35 cent unit and the two 20 cent units? What are they?—A. The one is a full car and the other is a half car.

Q. What service is in the full cars?—A. Railway mail clerks are in both cars.

Q. Would there be as many railway mail clerks in a full car as in a compartment car?—A. There are more railway mail clerks in a full car than an apartment car. The full postal cars between Montreal and Vancouver and Toronto and Vancouver carry a full staff. I do not know how many men that is, but it is either six or eight men.