

substantial problem in the long-term planning for its future in the area. A balance sheet as at December 31, 1960, and related statements of income and expense, and surplus are exhibited in appendix L.

I have now reached the conclusion of the submission itself in which I have referred several times to the appendices. These appendices are rather lengthy and I should like to ask if it is your pleasure for me to go on at this time to read them in full.

Mr. DRYSDALE: Mr. Chairman, if we are not sitting this afternoon I would suggest that we take the appendices as read. This would give those who are interested an opportunity of reading certain of the appendices. If there are no questions on it, I cannot see the value of sitting another hour.

The CHAIRMAN: Well, we still have twelve minutes and, having heard this important brief, some of the members may have some important questions to ask of Mr. Gilchrist.

Is it the wish of the committee that we do not sit this afternoon, and that we have these appendices placed on the record as read?

Agreed to.

71. A complete history of the development and performance of Eldorado Aviation Limited is given in appendix K.

72. Northern Transportation Company Limited is a wholly-owned subsidiary of Eldorado Mining and Refining Limited operating a water transportation service as a common carrier in the Mackenzie river watershed. The company also operates a service in the west central Arctic to provide service to a large number of D.W. line sites.

73. At the present time the company handles about 70% of all waterborne freight moving over the Mackenzie system. Approximately 30% of freight carried is for the parent company and the balance for other shippers. Operating under the jurisdiction of the board of transport commissioners, the company must file tariffs with that board which has complete jurisdiction over all rates. In other words, we are subject to their scrutiny at all times.

74. Apart from the Arctic operation the total distance over which the company's fleet operates is approximately 2,400 miles in areas lying between the 50th and 70th parallels.

75. The volume of freight available to the company, considering the distances involved, and the variety of the equipment required, is not large. Moreover, the movement of freight is largely northbound and a problem exists in economically providing for the necessary frequency of service without a rather more prodigal use of equipment than would otherwise be the case. The company has reduced its freight rates several times during the years 1950 to 1958, a period in which freight rates generally were rising sharply.

76. The total investment in capital equipment stands at \$12.5 million, all of which has been financed without resort to borrowing.

77. Due to a permanent loss of cargo resulting from the shutdown of mining operations in the area serviced and because of increasing competition of trucking operations from Edmonton to Yellowknife, the company faces a