

Mr. STEWART: I was quite satisfied with the statement of Sir Henry Thornton regarding the results that might be secured from this smaller expenditure on maintenance of right of ways, but there are some other items on page 19, coming under that general heading "Maintenance of Way and Structures", which I think should be further explained. I might say that the only thought I had in mind was as to whether the expenditure of a lesser sum during the last year might not reflect in the years to follow, the year perhaps immediately succeeding and other years, and they would be necessarily increased by lesser expenditures in any one year. It might make a better showing for one year, but show a greater deficit in the years to follow.

The CHAIRMAN: Do you mean the following year there would be a greater expenditure necessitated, because they did not keep it up to the mark in one particular year?

Major BELL: Sir Henry (Thornton) answered that quite fully.

Mr. STEWART: I was satisfied so far as the items we took, ties, rails, ballast and elevated structures, but there are a score of other items here, and I think the majority of them show a decrease.

Major BELL: Have you any particular one in mind?

Mr. STEWART: I had several in mind. I did not mark them here, so I will have to look them up again. "Tunnels and Subways" is the first one—

Major BELL: Mr. Brown is on your right, the Chief Engineer of Maintenance, and he will be glad to answer any questions you have in connection with that.

Mr. STEWART: I notice the tunnels and subways are about 30 per cent or a little more, than the previous year.

Mr. HENRY: That is a smaller amount.

Mr. STEWART: For my information, can you tell me this; does that from year to year vary in a proportion something like that?

Mr. BROWN: This expenditure is small for tunnels and subways, and it varies from year to year, but it represents a condition that is quite general.

Mr. STEWART: I would take that to be satisfactory.

The CHAIRMAN: I notice a very great decrease, a reduction of about 50 per cent in the item of maintenance of yard tracks and other facilities.

Mr. HENRY: That is by reason of the fact that in the previous year this was an inter-company charge, which has been eliminated this year.

Mr. STEWART: Another item is grain elevators. It is not a large difference, but there is a considerably lesser expenditure.

Mr. BROWN: That may be explained by saying that a number of these elevators which have been owned by the company have been leased by private companies, such as certain large elevators at Fort William, and they undertook to make these charges under the lease.

Hon. Mr. GRAHAM: Would that apply to the elevators in the Montreal Harbour?

Mr. BROWN: We have nothing to do with that. That was sold to the Harbour Commissioners.

Mr. STEWART: That is, there are fewer elevators that are under the control of the management of the railway?

Mr. BROWN: Yes.

Mr. STEWART: Item 247; "Telegraph and Telephones." There is \$100,000 less expenditure—

Mr. HENRY: That was a general increase.