

Mr. MACDOUGALL: The relocation is made at the expense of the National Capital Commission.

Mr. HAHN: If that is the case, that has cleared up the uncertainty for me. Could I have that cleared up definitely?

Mr. D. L. MACDONALD (*National Capital Commission*): Mr. Chairman, the proposal for handling the industries which lose rail service as a result of this railway relocation program has been to pay compensation to the companies related to the plant which they operate. In addition, they are offered sites in new industrial areas set up by the National Capital Commission at market value for the land less 20 per cent. And the National Capital Commission also pays for a siding of equal investment to that which they enjoyed in the location from which they were moved.

Mr. HAHN: That answers my question. Compensation is being paid to industry. From the information I read in this connection I thought it was not being paid.

Mr. REGAN: Mr. Chairman, I have a supplementary question.

Have you had any representations from those industries which will be affected by this provision to the effect that they feel it is an unsatisfactory arrangement?

Mr. MACDONALD: The amount of compensation is still under negotiation with quite a number of companies which will be affected in the future, and a lot of these railway relocation schemes have not yet been implemented.

Mr. COWAN: Is it not true that a certain number of companies already have started court action against the National Capital Commission or the railways because of this very thing? I read a list of those in one of the Ottawa papers a week ago.

Mr. MACDONALD: Mr. Chairman, the procedure which has been set up to determine the amount of compensation, should there be a dispute in respect of the amount, has been for the case to be heard by the Exchequer Court, and at the present time certain companies are contemplating taking action in the court to determine the amount of compensation.

The CHAIRMAN: Are there any further questions on clause 9?

Mr. PETERS: Is the compensation figured in the over-all cost you gave us this morning?

Mr. MACDONALD: No, Mr. Chairman.

Mr. PETERS: Well then, can you tell me the approximate amount this would add up to?

Mr. MACDONALD: May I make an estimation for Thursday in that connection?

The CHAIRMAN: Are there any further questions on this clause?

Mr. FISHER: Mr. Chairman, I have a question in respect of that part of the memorandum which deals with this new merchandising terminal area, and it gives you some details on its construction.

Mr. MACDOUGALL: Clause 9 (a) at page 9 refers to the construction of a new merchandising terminal at Hurdman.

Mr. FISHER: I am intrigued with the difference in trackage required by the Canadian National Railways and Canadian Pacific Railway, on page 15 you will note that 25 cars is set out in respect of the Canadian Pacific Railway and 56 cars in connection with the Canadian National Railways.

Mr. MACDOUGALL: As I understand it, the reference to the trackage on page 15 is the result of the negotiation between the parties as to what is required