

Mr. VIEN: In the United States.

Mr. FAIRWEATHER: In the United States they have a Federal pension law, but it is sub judice at the present time. The railways have protested against it. It did not state any stipulated age. As a matter of fact, any man could retire upon completion of thirty years' service and a man could retire at fifty under that act if he had thirty years' service, but the top limit was seventy years and the bottom limit was fifty years.

Mr. VIEN: But they got the same benefit or the same annuity upon being superannuated that they would otherwise have had in reaching the age limit.

Mr. FAIRWEATHER: No; you could not say that. A great many of the railways in the United States had their own pension plan. This Federal pension plan came in on top of them. The pension plan, in my opinion, had very little to do with this displaced labour. That question of displaced labour right at the present time is under active negotiation between the railways, the representatives of labour and the Federal Co-ordinates. I am not aware that they have reached a final conclusion.

Mr. WALSH: If you did consider a plan of unification, I presume you have never gone into it fully, what per cent of labour would be displaced, 20 per cent or 25 per cent?

Mr. FAIRWEATHER: I am somewhat embarrassed.

Mr. WALSH: Judging from your experience with pooled channels.

Mr. FAIRWEATHER: As an economist, it is all labour, every cent of it. If you are talking of direct railway labour I would say it is between 50 and 60 per cent.

Mr. WALSH: Do you think we could run our two railways in Canada with 50 per cent to 60 per cent—

Mr. FAIRWEATHER: No, Mr. Walsh. You asked me what percentage of any theoretical economy would be labour.

Mr. VIEN: Take the number of employees on both railway systems.

Mr. FAIRWEATHER: I did not answer that question at all.

Mr. WALSH: I do not think it would amount to more than 25 per cent. Would it?

Mr. FAIRWEATHER: That is a very big question indeed, and I have had enough experience in answering questions like that to be careful because I have answered such questions and have found people to whom I did not give the answer misinterpreting what I said.

Mr. MAYBANK: There was one such answer circulating around for three or four years.

Mr. FAIRWEATHER: Yes.

Mr. WALSH: If there was a labour displacement by unification or some process of that nature, the natural decrease per year in the railway employees, naturally there is a replacement of 5 per cent per annum? Over a period of five years the retirements on the railways come to about 5 per cent per annum?

Mr. MAYBANK: Of course, it might be the retirement of a stenographer through marriage, but a displacement of a switchman.

Mr. VIEN: Could you give us a yearly average of retirements through normal conditions such as death, old age and disability and so on?

Mr. FAIRWEATHER: If you are speaking of our labour turnover figure, it is a very complicated matter, because a man will appear on the payroll, disappear from the payroll, and come back to the payroll again. You cannot give any simple figure that will express the labour turnover of the railway. If you refer to people who go out on pension and those who go out by death, I would venture an opinion that it would not run over 1 per cent.