ships receive a substantial subsidy from the Government. The total number of men employed to man them is 2,033, of whom 265 are white British, engaged as officers and engineers. The remaining 1,768 are Chinese, comprising 277 deck-hands, 558 in the engine-room, and 933 victuallers. It is claimed by the Company that, as much of their passenger trade, namely 67 per cent, through and local, is Oriental, this type of labour is not only cheaper, but infinitely more satisfactory than white labour, since the latter could not be gotten to cater to Oriental passengers on the one hand, or mix with Oriental labour on the other. It is moreover claimed by the Company that the service is now supplied at a serious yearly loss, and that the extra cost involved in the substitution of Canadians for Orientals would make the service practically impossible of operation.

Your Committee Therefore Recommends:

- 1. That, in view of the substantial subsidy granted yearly to the Canadian-Australian Line by Canada, the small number of Canadians employed in its service be brought to the attention of the Company, and that they be requested to afford Canadian seamen a reasonable degree of employment at the earliest possible convenience.
- 2. That, as up to the year 1913 the decks of the Empress boats were manned by white seamen, and inasmuch as the deck service is an important and responsible branch of the work in these boats, the Canadian Pacific Railway Company be requested to replace the Orientals now so employed by Canadian seamen, and that this change be made at the Company's earliest opportunity.

A copy of the Minutes of Proceedings and Evidence on which this Report is based is tabled herewith.

All of which is respectfully submitted.

C. R. McINTOSH, Chairman.