

The ACTING CHAIRMAN: If there are no further questions to be asked with respect to the items appearing on page 16 we will pass to page 17: Additions and Betterments Less Retirements. If there are no questions to be asked with respect to the items under that heading we will pass to page 18: Receipts and Expenditure — 14 years — 1923-1936. Are there any questions to be asked with regard to the items on page 18? If not, we will pass to page 19: Funded Debt — Principal and Interest.

Mr. HOWDEN: We had better not start asking questions about the items under that heading.

The ACTING CHAIRMAN: Then we will pass to page 20: Funded Debt — Principal and Interest (Continued). That is the same thing.

We pass on to page 21: Loans from Dominion of Canada.

Mr. HANSON: I will have to ask the Minister to get the interest lower.

Hon. Mr. HOWE: Do not worry too much about these, because we will not get them back.

The ACTING CHAIRMAN: We have been over these items pretty well already. If there are no further questions as to page 21 we will pass to page 22: Investments in Affiliated Companies. Are there any questions with respect to the items under that heading?

Mr. KINLEY: What have you to say about the item: Canadian Airways, (Limited), \$50,000?

Hon. Mr. HOWE: Several years ago the C.P.R. and C.N.R. each bought stock in Canadian Airways Limited to the amount of \$50,000.

Mr. KINLEY: Did you say \$50,000 each?

Hon. Mr. HOWE: Yes.

Mr. KINLEY: Is it a good investment?

Hon. Mr. HOWE: No.

Mr. KINLEY: Is it likely to become a good investment?

Mr. HUNGERFORD: They have not made any profit yet.

The ACTING CHAIRMAN: Is that the reason why other private companies found it difficult to get a contract from the government?

Hon. Mr. HOWE: No.

Mr. KINLEY: What is the idea behind it? You bought stock in a competitor company?

Hon. Mr. HOWE: It was a matter of government policy at the time. It was impossible for this company to carry on the work it was then doing and the service was suspended. It is pretty hard to go back and trace out the history of the matter, but at the time the government thought it proper to ask the two railways to contribute \$50,000 each.

Mr. KINLEY: I suppose there are air mail feeders in the west?

Hon. Mr. HOWE: Yes, although at that time I think they were running an air mail service parallel to the railways.

Mr. BARBER: How long ago?

Hon. Mr. HOWE: 1927 or 1928.

Mr. BOTHWELL: What about the item Public Markets Limited? I do not remember seeing that item before.

Mr. HUNGERFORD: That was a little company organized in Winnipeg to buy some property required for terminal expansion.

Mr. KINLEY: What is meant by: Canadian National Railways (France)?

Hon. Mr. HOWE: The hotel Screed.

Mr. KINLEY: That is on page 23.