but are naturalized or domiciled in Canada. The balance of the crew are Chinese from the British Crown Colony, of Hong Kong approximately 80% of whom have been born or are resident in HongKong.

The percentage of Canadian and British born subjects at present

on each ship, other than Chinese, is:-

Empress	of	Japan.													15.6%	
Empress	of	Canad	a				 								15.0%	
Empress															13.0%	
Empress															13.0%	

The suggestion has been advanced that the Pacific Empresses could carry a greater number of white Canadian citizens. In considering this suggestion the following points must be kept in mind:—

(1) The operating expense.

(2) The impossibility of mixing European and Oriental races on terms of equality.

(3) The availability of skilled personnel as regards numbers.

- (4) The temperament and mentality of those available towards the work they are required to perform, and the willingness to submit to a rigid system of discipline which is essential in the safe operating of ships at sea.
- (5) The capacity to withstanding climatic conditions.

Dealing with these items as enumerated:—

(1) The estimated additional cost of substituting Canadian for Oriental labour in the several departments of the four vessels now in service is as follows:—

Deck Department	\$ 85,178
Engineering Department	287,674
Catering Department	
	\$839,115

These estimates are conservative statements.

(2) It is not possible to increase the present number of Canadian or British personnel unless one or more entire departments are replaced. Owing to racial difference Canadians and Orientals will not work alongside each other doing the same work and at different rates of pay.

Mr. Flintoft: You were going to expand the statement I read this morning? Witness: I think I mentioned this morning that the figures on which I based my estimates were in all cases approximately \$10 a month lower per capita than the figures mentioned by Mr. O'Donovan in quoting the rates at which members of his union would sign on the ships.

By the Chairman:

- Q. \$10 less than he stated?—A. Yes. For instance, when he said a quarter-master should get \$70 we have allowed \$60, and so on. As regards numbers we have given them the lowest possible numbers with which we could get along, in my opinion. We could not with the numbers we have given in making up our estimates furnish such efficient service as we at present furnish with the numbers of Chinese crews that we have. We could get by with a smaller number of Chinese, but could not give the present efficient service.
 - (3) Whilst Vancouver is a shipping port of considerable magnitude it is not to any extent a ship owning or operating centre where overseas tonnage is concerned. Practically all the overseas or deep-water tonnage