

Canadian trade; in the case of some services, it also covers the carriage of mails. Are there any other questions on South Africa?

*By Mr. MacInnis:*

Q. For the information of the committee, would it be very much work to break these items down to the amount paid for carrying mails and the amount paid for the promotion of trade; separate the two?—A. Well you cannot separate them; they are bound up together. As I say, if you take the total amounts paid on both oceans, that would cover it. I could give you a statement of one or two services which are subsidized and which do not carry any mail, although contracts call upon them to do so. They do not do it because they are too slow. They are freight vessels, and are not used by the Post Office Department. I can give you a note of them, I think.

*By Mr. Hill:*

Q. Ninety per cent of the subsidies would be for trade purposes?—A. Yes, but the carriage of mail is essential for the development of trade.

*By the Chairman:*

Q. Grade and mail are complementary?—A. Yes.

*By Mr. Isnor:*

Q. In connection with the Atlantic Ocean services, I suppose you are familiar with the Lady boats operating to the West Indies?—A. Yes.

Q. The various Lady boats and other boats running to the West Indies operated by the Canadian National Steamships?—A. Yes.

Q. You do not include any of them in your report?—A. No; because they do not come under my department.

Q. Still they are receiving subsidies?—A. They do not receive any subsidy.

Q. They do carry mail?—A. They carry mail, yes. I do not know under what arrangement they carry mail, whether the Post Office pays them or not. They do not receive any subsidy, but they do run up an annual deficit, which is paid by the government.

Q. I realize that.—A. They do not come under the Department of Trade and Commerce.

*By the Chairman:*

Q. It is equivalent to a 100 per cent subsidy?—A. The same thing.

*By Mr. Isnor:*

Q. It would not go beyond 100 per cent?—A. As far as the country is concerned.

MR. ISNOR: Are you going to consider the ships, Mr. Chairman? I think it is very necessary. I raised that question earlier in the proceedings, because I am anxious to have on record the various deficits, if necessary, but more particularly the crew on these particular ships.

*By Mr. Neill:*

Q. Is there a line of C.N.R. ships running from Canada to Britain?—A. No, just to the West Indies, Australia and New Zealand.

Q. Not to Britain?—A. No.

THE CHAIRMAN: With regard to the point just raised about the Canadian National boats, is it not a fact that the special committee appointed to deal with railway matters goes into the questions pertaining to the Canadian National Railways and the Canadian National Steamships?