

APPENDIX No. 5

Sir HENRY DRAYTON: They opened up a couple of retail stores for the purpose of getting the English people into the habit of knowing what they had, and knowing they could get it regularly.

The WITNESS: What they tried to do—and I happened to be there more or less at the time, so I know something about it—was to try to educate the English people to eat chilled or frozen beef as compared with the home-grown article, and it was a terribly hard business. I think the War taught them a great deal. I will tell you what I found in buying meats for our hotels on the Great Eastern Railway. We bought Armour's chilled and frozen meat at materially less prices than the home-grown article; so much so, that as a measure of economy I abandoned the use of the home-grown article and bought the chilled article. There were certain individuals—among others, my old Chairman—who said they could tell the difference between home-grown beef and chilled beef, but I don't believe they could. I doubt if anyone could, but there was considerable reluctance on the part of the population of the United Kingdom to use chilled and frozen meat as compared with their home-grown article.

By Mr. Harris:

Q. There is a marked distinction between chilled and frozen beef—A. I am referring to the way it tastes to the palate. I cannot tell the difference. I take it that what we are really shooting at is that if proper facilities were provided and we addressed ourselves to the effort of properly transporting chilled or frozen meats from Canada to the United Kingdom, we could develop an industry profitable to the people of Canada.

Hon. Mr. GRAHAM: And also for the Merchant Marine?

The WITNESS: It is the same thing. It affects the people of Canada either way. They can pay money for the deficits in the form of taxes, or give us a remunerative rate. I think the sensible thing to do in any traffic is to allow the transportation instrument a reasonable profit, so it can stand on its own feet.

By Mr. Stewart:

Q. On the other hand you do not want to take out the Treasury of Canada a sum to help reduce the deficit?—A. When you get to that point, the thing is probably no more important in point of view, because you can do it in two ways; you can make the people of Canada pay more taxes to make up the deficit, or allow the Merchant Marine or railways a reasonable profit. It ought to be possible to avoid both of these difficulties, if there is anything in this proposition to develop the transportation instrumentality which will stand on its own feet, and at the same time enable the raiser of cattle and makers of chilled beef to make a reasonable profit as well. That is the objective we want to reach. We do not want to "soak" either one.

By Sir Henry Drayton:

Q. We want that business to grow. We do not want to rob anybody. I am sure a very much lower rate could be put in if we had the volume.—A. What the transportation companies could do as the volume of business increased, or the profits mounted—

Q. The first thing would be a commodity rate?

By Hon. Mr. Graham:

Q. Both ends would be to start small.—A. You have to pay certain establishing expenses to get a thing going.

Sir HENRY DRAYTON: Mr. Kyte wanted some information—