

*By Mr. MacInnis:*

Q. On the wages you pay you can employ five and a half Chinese for every white man?—A. Oh, no; I do not.

Q. But you could on the wages you pay?—A. Yes, on the wages, but we do not.

Q. You do not need to go any further. (No response).

Mr. NEILL: The whole thing comes down to the cheapness involved in employing Chinese.

Mr. MACINNIS: When you find the economic factor you have found the only factor it is necessary to find.

WITNESS: I do not agree with that statement. I have every sympathy with my own countrymen, speaking broadly as a Britisher, and if the market existed and we could get the service I would agree with you in the matter of employing white men; but the market does not exist and we cannot give the service which we are at present giving. I can tell you frankly without any hesitation that if to-day you made us alter our crews to 100 per cent Canadians we might as well shut up shop and go out of business.

Mr. MACINNIS: We have heard all that before. We have heard arguments along that line with reference to shorter hours or higher wages.

Q. You said you could if the market permitted. You are in the market for labour power and you are buying it in the cheapest market possible.—A. You are taking me up wrongly. You are assuming that I am antagonistic to Canada.

Q. Oh, no.—A. I am not.

Q. Oh, absolutely not. If anything I have said conveyed that impression I wish to make it quite clear that I had no such intention. I am convinced that like every other organization engaged in commercial enterprise no sentiment enters into the matter of employing labour. You are buying a commodity in the market, labour power, and you are going to buy it at the best advantage possible the same as you buy coal and other commodities necessary to the running of your ships. (No response).

Mr. FLINTOFT: There is no doubt about this, Mr. MacInnis, as we pointed out this morning, that we are up against the competition of the Japanese and the United States lines. The United States ships are heavily subsidized and the Japanese are paying wages even lower than we are paying. If we are to keep this traffic for Canada we have to meet those conditions.

The CHAIRMAN: The principle of commercialism will run through all these other services.

Mr. FLINTOFT: Yes.

*By Mr. Reid:*

Q. How was your company able to carry on from 1921 to 1930 without one cent of subsidy? (No response).

Mr. FLINTOFT: Conditions were very different from 1921 to 1930 from what they are to-day, as you well know.

Mrs. BLACK: Money was flowing like water then.

Mr. FLINTOFT: Yes, the ships were full all the time.

Mrs. BLACK: You had to engage your passage months ahead on the Empress boats.

Mr. FLINTOFT: We would be very glad indeed if we did not have to seek a subsidy.

The CHAIRMAN: At that rate the question of subsidy is wrapped up with the question of business.

Mr. FLINTOFT: And what the other nations are doing.

[Captain Edmund Aikman.]