

The WITNESS: No. That circuit is just between Montreal and St. John's, Newfoundland. It is not an overseas circuit. They would have to get a licence from the Department of Transport before they can extend the service.

The CHAIRMAN: As a good many of these questions will come up under the various clauses, perhaps you are now ready to consider the bill, clause by clause. Shall clause 2 carry?

Carried.

Mr. CANNON: It has been stated in this memorandum that the cable heads are not to be acquired by the corporation, but they are to remain the property and under the administration of the different companies. Why is that?

Hon. Mr. CHEVRIER: Because the cable heads were specifically excluded from the agreement signed in London.

Mr. CANNON: Why? It says so here, I know, but why?

Hon. Mr. CHEVRIER: It is really not part of the cable and that is why it was excluded. It is a technical question, however, that I cannot answer myself.

Mr. CANNON: The cable is not taken over?

Hon. Mr. CHEVRIER: The cable head is not taken over.

Commander EDWARDS: When a cable leaves the water, you have to land it somewhere, so they have a little hut and the cable comes into this hut. Now we go in with our land lines, go through the wall and make our connections to the cable inside that hut.

Mr. HATFIELD: What is the good of the cable without the cable head?

Commander EDWARDS: You have to connect it somewhere. They wanted to keep this building and we had no objection.

The CHAIRMAN: Shall clause 2 carry?

Carried.

Shall clause 3 carry?

Carried.

Mr. CANNON: I have not had time to read clause 3. Could I suggest that the clauses be read?

The CHAIRMAN: No, that is not the custom in committees. We will proceed along the usual lines. Shall clause 4 carry?

Carried.

Mr. McLURE: Are there only two salaried men?

Hon. Mr. CHEVRIER: Only one salaried director. There will be far more than two salaried men.

Mr. MURRAY: What is the salary of each?

Hon. Mr. CHEVRIER: It has not been determined yet.

The CHAIRMAN: Shall clause 5 carry?

Carried.

Shall clause 6 carry?

Mr. GREEN: I notice this clause sets out in (b) "to carry on the business of public communications by cable, radio-telegraph, radio-telephone, or any other means of telecommunication between Canada and any other place and between Newfoundland and any other part of Canada".

Why is the power taken to deal with those communications to deal with communications between Newfoundland and Canada?

Hon. Mr. CHEVRIER: Mr. Connelly has already dealt with that in his memorandum.