

APPENDIX No. 3

over entirely to parcel post, but at the end of six months' experiments with parcel post, they swung back to the express companies. The elimination of the reduction of profits in the express business—I wish I could speak positively—is simply inexplicable to me. I can see nothing whatever in the circumstances to warrant a reduction of express earnings, except it be what I can hardly believe possible: poor business management in relation to the control of the expenditure; for while gross receipts were coming down, expenditure was violently going up.

By Mr. Hughes (Kings, P.E.I.):

Q. Would it be due to the arbitrary extension of the express privilege?—A. That is entirely arbitrary, Mr. Hughes. They can allow the railway what they will.

By Mr. Kyte:

Q. They have gone on increasing the commission assigned for express privileges each year, have they not?—A. Certainly, quite perceptibly, very much so.

Q. Would the increase in the allowance for express privileges account for the decrease in the profits?—A. In part.

By Mr. Stewart (Lunenburg):

Q. You give me the impression you think these figures are not bona fide as compared with five or six years ago. A. It would be assuming a very heavy responsibility to even imply such a thing, but—

Q. You do not wish to create that impression, but you certainly gave it to me.—A. Well, I may say the impression is in my own mind, and I could not very well conceal it. The impression in my mind is that the express companies have increased their operating expenses and their express privileges when, in the face of a declining income, they should have reduced it.

Mr. FOUND: Have you compared the Canadian Express Company and the Dominion Express Company?

The WITNESS: I have done so, and so far as I can see they are on the same footing.

By the Chairman:

Q. You have given the Committee the gross receipts, disbursements and net profits of all the Companies. Will you now state the same figures for the Companies individually?—A. It would be rather a complicated matter to put into figures to which you could listen. It would be much more satisfactory, Mr. Chairman, if I submitted to your Committee a statement of the facts in such form that your eye would rest upon them all at the same time.

Q. You can put those figures into a signed memorandum which can be attached to your evidence in the form of a schedule?—A. I have been comparing five years' business, and what I have said relates to those five years, whereas the figures I have here relate only to the year with individual companies, and do not give the comparison which you are asking for. I would have to turn back to other reports which I did not bring with me, and take out the figures relating to these individual Canadian companies. I have only the figures here for 1915, and that eliminates the basis of comparison, you see.

Q. Will you give the desired figures to the Committee?—A. Yes, I will send them to you at once.

Q. What were the net profits of the companies for the year 1915 as you have them?—A. The Dominion shows a loss of \$226,075, whereas it had a sum of seven or eight hundred thousand dollars profit three years ago.

Q. That is the Dominion Express Company?—A. The Dominion Express Company.

Q. I would like to read to you part of the evidence of Mr. W. S. Stout, who is president of the Dominion Express Company—A. President and General Manager of the Dominion Express Company.

Mr. J. L. PAYNE.