

APPENDIX No. 3

Q. There is no good reason, is there, why competing rates in the East should not be quite as reasonable as competing rates in the West?—A. I do not think, in view of the circumstances which compelled the extremely low rates from the Pacific Coast to New York, that those rates can be taken as a fair basis for establishing similar rates from the Atlantic Coast, where such compelling circumstances do not exist.

By Mr. Kyte:

Q. Are you carrying on your Western Express business at a loss?—A. I do not think there is very much profit in it.

Q. There must be sufficient inducement for you to continue the business?—A. A railway company very often has to carry business at a very small margin of profit. It is in the interest of the Grand Trunk Pacific Railway Company that the Pacific Coast terminus at Prince Rupert should be developed. It would not help Prince Rupert if the Grand Trunk Pacific Railway Company, or the Canadian Express Company, were to say that they would not meet the competition at other Pacific ports. Prince Rupert depends upon the maintenance of the fish industry there, and if that assistance were withdrawn, I do not know what would happen to the town.

By Mr. McCurdy:

Q. Were the Great Northern rates that you spoke of, from Vancouver to New York, established before you went in?—A. Yes, many years ago.

Q. So there is no question at all but what that rate from Vancouver to New York is profitable to all the companies concerned?—A. I do not know, I am sure. You have got to bear this in mind, gentlemen: that not only is it true of the Canadian Express Company in connection with the Grand Trunk or Grand Trunk Pacific Railway Company, but it is also true of the Dominion Express Company in connection with the Canadian Pacific—that neither company has its own line through to Boston, New York, Philadelphia, St. Louis or Chicago, where all these shipments go.

Q. Is not that an argument for higher rates instead of lower?—A. Possibly. But what would happen if we made those higher rates. What would happen at Prince Rupert, Victoria and Vancouver?

By Mr. Sinclair:

Q. Why don't railways have a through train for fish the same as they have for tea and silk from the coast?—A. I presume it is mainly a question of quantity.

Q. Is the quantity larger?—A. Oh, no.

Q. It has been stated in this committee that there were several cars of fish available daily from the coast.—A. If you are speaking of tea and silk, I must say that I do not know anything about the movement of those commodities, because that takes place only from Vancouver over the Canadian Pacific. Our company does not handle any traffic of that kind, we have no trans-Pacific imports ourselves at Prince Rupert.

By Mr. McCurdy:

Q. Could you indicate in a few words the necessity for the express department of a railway being handled by an express company in preference to being handled by the railway company?—A. I presume it is more convenient.

Q. If it is necessary to handle the parcels by express, would not the same argument apply to the handling of passengers as distinct from freight?—A. I have no doubt that a railway company could organize its own staff of employees to handle its express on its own road properly, but the operations of an express company—an eastern express company—are not confined to any one railroad, the operations extend over a number of railroads. Some of the railroads in the United States have a mileage of as much as 40,000 miles.

Q. And the Canadian express companies?—A. The express companies in Canada? What is true of the Canadian Express Company over the Intercolonial and National

MR. JOHN PULLEN.