

Mr. STEWART: It is definitely understood this is only an interim report, so we can add a rider in the form of this resolution?

The CHAIRMAN: We will bring in a second report.

Hon. Mr. GRAHAM: I am very much delighted at these proceedings, because I think the management can see the different angles from which we all look at these things. We cannot make a policy that is suitable for everybody, but it is a good deal easier to arrive at a just conclusion concerning all the things that go to make up a policy, when the management sits here and hears the opinions of men from all over the Dominion of Canada. I think they appreciate it. I know I do, and I think we all appreciate the things we have got from the management.

The WITNESS: Speaking for the management, I will say that I think this discussion has been extremely illuminating; it has given us all perhaps a different and better point of view, and I think the deliberations of the Committee, as far as we are concerned, have been helpful.

Sir HENRY DRAYTON: There is one thing, Sir Henry, which I think would delay things a good deal if we were to go into it, and that is the question of the activities of your Traffic Department, which is involved in the question of returning cargoes. We would be here all summer and then we could not really help you. That is entirely a matter of traffic.

The WITNESS: It is quite largely a question of active solicitation.

Hon. Mr. GRAHAM: It is the existence of the traffic and our ability to get it.

The WITNESS: As far as that aspect is concerned, I think we can make considerable improvement in the future.

Sir HENRY DRAYTON: I don't think the Committee can interfere there at all.

The WITNESS: I think we will be able to tell you an interesting story with respect to increased traffic activities next year. The more the administration gets into this thing, the more we find out, and the more we find that things could have been done differently, and possibly better.

Sir HENRY DRAYTON: That is one of the questions which I purposely kept away from, in the interests of management.

Mr. HARRIS: There is another feature which enters into that. Some of us are not very keen to see them heavily laden, from European points to Canada.

The WITNESS: Providing they bring in things which do not compete with our manufacturers here.

*By Mr. Milne:*

Q. Are we getting our share of the trade coming this way?—A. No, we are not.

Sir HENRY DRAYTON: And there are reasons why there are difficulties? I am not criticizing that at all.

The WITNESS: That is entirely right; we are not.

*By Mr. Mackinnon:*

Q. Do you touch Manchester?—A. No. You mean by way of the Manchester ship canal?

Q. Yes?—A. No. We have not had any ships to Manchester.

Mr. MILNE: I spoke yesterday about this rebate system, and I was informed it was practically out of existence, but in looking over this report of the Imperial Conference, I find that it still exists. Without going into it extensively, there is a sentence here which says, "In the main it affects only the out-

[Sir Henry Thornton.]