

Mr. GORDON: The last two of the "Lady" ships have been sold and are now on their way for delivery to the purchasers for the purpose of carrying pilgrims to Mecca.

Mr. FRASER: That is a very appropriate task for a lady.

Mr. KNIGHT: What was the book value? It says they were sold at more than the book value?

Mr. GORDON: The book value, net, is the ledger value after depreciation. Let me hesitate a moment. The reason I hesitate is that if the boats were still up for sale, there would still be objection because it might affect the market price. But since they are sold, it might make the people who bought them feel that they had made a bad bargain.

Mr. KNIGHT: But it says that they were sold for more than the book value.

Mr. GORDON: The net ledger value of the *Lady Nelson* was \$118,400; and of the *Lady Rodney*, \$109,450, making a total of \$227,850.

Mr. KNIGHT: Are these "Lady" ships of a different type from other ships in your trade, or are they simply given that name on account of their use?

Hon. Mr. CHEVRIER: The "Ladies" were passenger ships.

Mr. GORDON: They were all the same except one which was fitted up with refrigerator space for the purpose of carrying bananas.

The CHAIRMAN: And the sale price was what?

Mr. GORDON: The sale price was \$750,000, and it netted us \$705,000 for the two when it was all through.

Mr. KNIGHT: How many ships are left in that trade now?

Mr. GORDON: Eight ships. That is shown on page 4 of the report as you will see outlined there. The diesel powered ones have accommodation for 12 passengers in each case.

Mr. KNIGHT: The withdrawal of these ships I take it simply means that there was not trade enough to justify their retention?

Mr. GORDON: We found that the operating costs far exceeded any possible revenue.

Mr. KNIGHT: Does the present situation suggest that there will be further reduction in the trade?

Mr. GORDON: Not necessarily. We are at a certain stage in the West Indies trade. The "Lady" ships were handicapped by the fact that they were primarily passenger ships and that they had to run according to a passenger schedule. They had to be in a certain port according to schedule at a certain time for the convenience of passengers. But the rest of the ships are primarily freight ships, and we can go where we can get the traffic and not have to conform to rigid schedules.

Mr. KNIGHT: That is why I asked you if these two ships were of a special type?

Mr. GORDON: They were primarily passenger ships. It is not only the fact that we could not make money with them, but they were just at the point where they would have had to have very expensive overhauls which we did not care to make.

Mr. KNIGHT: I understand there are people in Trinidad who are very concerned what effect the withdrawal of the ships may have on Trinidad. I understand it is not your business to subsidize ghost towns in coal areas and I suppose, equally well, it is not your responsibility here, as head of the company, to subsidize Trinidad. But in our foreign policy I think there is a point that these people may have, namely, that we have a sort of responsibility, and it is a responsibility which comes with leadership. It is that of developing less