

Personnel	Wages Per month	
Steward, 1	80.00	80.00
Cook, 1	80.00	80.00
Engineer's messman, 1	50.00	50.00
Sailors and firemen's messman, 1	50.00	50.00
30 men—1 month's wages		1,860.00
4 ships—120 men—1 month's wages		7,440.00
Total wages for personnel of 4 ships numbering 120 for a period of 12 full months amounts to		89,280.00
Allowance for bed and board of 50c. per man for a personnel numbering 120 for 365 days		21,900 00
		\$111,180.00
Subsidy		118,000.00
Balance of subsidy unspent on wages		\$ 6,820.00

N.B.—The ships we have in mind would have a carrying capacity of from seven to ten thousand tons.

It will be seen that after paying wages, bed and board, for the personnel of four ships numbering one hundred and twenty, for a period of twelve months, out of the subsidy, there is a balance left over of \$6,820. Therefore we are justified in asking how much would the balance be, after operating the ships with cheap Oriental labour? And the owners are paid the regular freight rates for the cargo handled besides. We would point out that there are many ships operating with white seamen in the Oriental trade and earning profits without receiving subsidies, who get the same freight rates as subsidized ships do.

We selected coal burning ships for our analysis, where oil burning ships are used the stokehold personnel is reduced by 50 per cent, which would mean a reduction in the wages and board bill for the four ships in one full year of \$24,560. The claim that ships operating with white seamen cannot make a profit on its operation even with the present subsidy is a huge myth, that the subsidy should be increased is getting too ridiculous. We are told in the "brief" that the subsidy is paid for taking cargoes out of Canada, but the subsidized ships take cargoes into Canada, or they may take cargoes to other places than Canada, that is, they are not forever dependent on travelling one way loaded and "light" the opposite way. We would point out that while we selected four ships for continuous service, that is not quite necessary. The matter can be handled more economically, by chartering ships whenever cargo is available.

The other two items in Part 2 of the "brief" viz: Vancouver-British West Indies: subsidy \$33,000; and British Columbia-South Africa: subsidy \$84,000, works out on the same basis as the above.

Here we pose a question. Is the subsidy paid to the actual ship owner (we do not include the Canadian Pacific Steamships here, as they are their own agents) or to the shipping agents?

The "brief" states that "steamship services from Canada to the Orient are maintained in competition with Japanese and United States lines; that Japanese seamen are paid considerable lower wages than would be acceptable to Canadian seamen; that Japanese lines are heavily subsidized by the Japanese Government, and that United States lines receive subsidies from their Government, considerably in excess of those received by the Canadian vessels."

That there is fierce competition we do not for a moment doubt, but this signifies that the chartering of ships is facilitated thereby. That Japanese seamen are very low paid we know; that Japanese and American vessels are heavily subsidized we may readily believe, but it all by no means proves that ships operating from Canada to the Orient manned by Canadian seamen, could not do so successfully and return profit to their owners. Regarding United States ships receiving higher subsidies than Canadian, we would point out that United