

## APPENDIX No. 5

to develop a paying business, and the coastal trade on the Pacific show that it is a paying business. We could make any definite recommendation that is necessary on that point, which is really sound. On the general principle of going after paying business, and obtaining it. Then there is another thing in which we are interested, not only from the standpoint of the Merchant Marine, but the country as a whole, and that is building up a proper regular service, so that the people of the Maritime Provinces can depend upon it, and the people of the Pacific coast can depend upon it, through the Panama canal. I think we ought to do all that is possible in regard to that. My personal view is if we put up a proper service there with England, we would then not need to bother about customs representatives in New York; we can get clear of a lot of these questions; we would do the business ourselves.

The WITNESS: You see, all of these things, if crystallized in some concrete resolution, will be very useful not only to the present administration but successive administrations as an indication of the policy which the shareholders of the company, as represented by this Committee, approve. It gives them something definite to work upon.

Sir HENRY DRAYTON: I suggest the management bring down their recommendations the way they want them.

The CHAIRMAN: I think that is more for the Committee—

Sir HENRY DRAYTON: I will get to that in a moment. I think, after all, the management knows what they want, and they could send down their recommendations, and we could have a copy of them, and go over them to see to what extent we could meet their views, or change them if necessary. I think that is the concrete way of making progress. The management know more about this than the Committee, although we have had a great deal of discussion.

Hon. Mr. GRAHAM: I would like to report on the Merchant Marine. We could report this portion to Parliament. I want to get on with my estimates, and if I had a report drafted, I could go on with the estimate for the Merchant Marine, and get that cleaned up.

Sir HENRY DRAYTON: I see no reason why this should not go through the House just as it stands.

Mr. STEWART: Should not this resolution we are discussing be a part of that report to Parliament?

The CHAIRMAN: I should think so.

Hon. Mr. GRAHAM: That will be the report to Parliament.

Sir HENRY DRAYTON: I understand the Minister does not want to be held up—

Hon. Mr. GRAHAM: I do not think I would be justified in presenting my estimates at all until we get the opinion of this Committee.

Mr. HARRIS: When we are accumulating this expression of opinion, I do not think it is necessary to tie up a gentleman like Sir Henry Thornton and these other gentlemen. The Committee have the information in front of them. If it is simply to pass the estimate we ought to be able to come to some conclusion, but if these gentlemen have to sit here and listen to our deliberations—

The CHAIRMAN: Could we not adopt an interim report to the House?

Mr. MACKINNON: I move this be approved.

Sir HENRY DRAYTON: I second the motion.

The CHAIRMAN: Moved by Mr. Mackinnon, seconded by Sir Henry Drayton, that the estimate of the Canadian Merchant Marine, of \$900,000, be approved.

The motion agreed to.

[Sir Henry Thornton.]