

for the Magdalen Islands Transportation Company Limited, a total of \$88,000 or an increase of \$9,809.

All of these increased subsidies had been necessitated by increased operating costs. The Commission's recommendations were submitted after special audit and examination of the companies' figures.

An explanatory memorandum had been circulated.

(Acting Minister's memorandum, Oct.30, 1948 - Cabinet Document 786).

12. The Cabinet, after discussion, approved the recommendations of the Commission and agreed that provision be made accordingly for subsidies to the companies in question.

Shipping subsidies; West Coast, Vancouver Island

13. The Minister of Transport submitted a recommendation of the Canadian Maritime Commission for payment of a subsidy to the Canadian Pacific Railway Company for the fiscal year 1948-49 in respect of its Victoria and West Coast of Vancouver Island Steamship Service.

After a complete inspection of the service and full enquiry into the cost of operation and revenue of the service in question, the Commission recommended a total payment for the fiscal year 1948-49 of \$70,000, an increase of \$25,548 over last year.

The service was considered by the Commission to be essential to the communities which it served and the increase recommended was justified by increased operating costs.

An explanatory memorandum had been circulated.

(Acting Minister's memorandum, Oct.30, 1948 - Cabinet Document 788).

14. Mr. Chevrier stated that the Maritime Commission were presently examining the question of providing for a system of licensing in areas such as this where there were subsidized services and for concurrent rate control; a report thereon would be submitted to Cabinet at a later date.

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