

We make it a dead set to get the Quebec trade, and, speaking from memory, I don't think we ever turned down a Quebec shipment, did we Mr. Doherty?

Mr. DOHERTY: No, I don't think we ever did.

Mr. POWER: Would you lose much money if you absorbed this half cent?

Mr. TEAKLE: There is no half cent.

Mr. POWER: For the export trade? It costs half a cent more to get the stuff to Quebec.

Mr. TEAKLE: That is a railway matter; that is no concern of the steamers.

Sir HENRY DRAYTON: It is the old lake route.

Mr. WOODS: The rail to Quebec is the same.

Sir HENRY DRAYTON: There is the export Montreal; there is the export Quebec; there is the export Portland, and there is the export St. John?

Mr. WOODS: Yes.

Mr. HEAPS: The question of coal was brought up by General Clark a moment ago. I wonder if there is a statement showing the purchases of coal by the Merchant Marine, and from where it was purchased.

Mr. TEAKLE: I can give you the coal purchases on the Pacific, but I cannot on the Atlantic, because I have not the figures here, but as our president has very rightly said, we buy Canadian coal wherever it is possible to get it. I mean by that, that starting from Montreal, Halifax, St. John, or from Vancouver, we would buy local coal; when we get the ship to the other end—to her destination—we have to buy coal wherever she may be. It is more profitable to carry cargo than coal; therefore, if we are sailing a ship from Vancouver to London or Antwerp, we would bunker in Vancouver first. As she can carry cargo more profitably than coal, we have to reason out whether it is cheaper to buy your coal in Vancouver than on the other side, as compared to the rates on freight. Your boat has got to earn money if possible. Therefore, on a voyage from Vancouver to London, we will say, we would buy coal in Vancouver to take her to Norfolk, and at Norfolk we would bunker her to take her to London, and then bunker her again in London to take her on the return voyage.

Mr. HEAPS: Then, am I right in understanding that wherever it is possible, you buy Canadian coal?

Mr. TEAKLE: You are absolutely right, sir.

Mr. CLARK: Sir Henry (Thornton), is it a fact that competitive rates are fixed in the main by steamship conferences?

Sir HENRY THORNTON: I should say "Yes." Is that right, Mr. Teakle?

Mr. TEAKLE: Yes. There is throughout the shipping world a system of conferences or associations, and the steamship men meet and discuss conditions, and the fixing of freight rates, in a fair manner, as they consider them.

Mr. CLARK: Does the Merchant Marine meet in those conferences?

Mr. TEAKLE: We did, but not now.

Mr. CLARK: You adopt the rate fixed by these conferences?

Mr. TEAKLE: We take the going rate, whatever it may be, which is a good policy, because we want to try to get the fleet on its feet.

Sir EUGENE Fiset: Are you still in close contact with these conferences?

Mr. TEAKLE: I don't know what you mean by that question, Sir Eugene. If you mean friendly—that is, knowing one another—

Sir EUGENE Fiset: You get daily or hourly rates which have been fixed by the conference?

Mr. DOHERTY: Not necessarily hourly, but we do get the information. If I might say a word in that respect: if our friends—and we have many friends among the shipping gentlemen—if they find that somebody else is quoting a lower freight rate than we are, they are the first to come to us and say "Well, Bill Smith says he will carry our stuff for ten cents; you are asking twelve."