

APPENDIX No. 3

railway company not getting more under the parcel post system than the express company is losing through the competition of the parcel post? Express companies have not really established an argument that the parcel post has interfered with their earnings.

The WITNESS: Our operations are conducted entirely distinct from the railway. Whatever the ownership of the stock may be, we know absolutely nothing of such questions as that.

By Mr. Sinclair:

Q. As a matter of fact, it is cheaper to send a small parcel by post for a long distance than by express?—A. It is for a very long distance.

Q. Take a parcel going from Toronto to Nova Scotia?—A. On certain weights it would be.

Q. Take a parcel of five pounds, which is the cheaper?—A. In case of a five-pound package I should think the express charge would be cheaper.

Q. Would it be cheaper than the parcel post?—A. Yes, sir.

Q. Then for a parcel weighing between five and eleven pounds, the same thing would hold good?—A. Yes.

Q. Then where do you say the advantage is derived in the case of the parcel post?—A. I think for the long distance across the continent the rates are a little cheaper by parcel post than they are by express. The middle distances we break at about five or six pounds, and then the express charges become gradually a little bit less. I might explain here that in figuring that way the express companies insure their packages up to \$1.50—that is, they take the responsibility up to \$1.50 for loss or damage—whereas the parcel post adds to its rates a fee of 10 cents for each package for a similar amount of insurance; and when you add that to the regular transportation charge it gives more when you get up above five pounds for certain middle distances. I think that ceases though when you come to the extreme western part of the country. The parcel post charge, even with the added fee referred to is a little less than the express rate.

Q. Then if you wanted to send a parcel from Winnipeg to Halifax the express would not be as advantageous as the parcel post?—A. Probably not, except that another factor enters into the question: The express companies have to pick up their parcels free of cost and deliver at destination, whereas the post office require you to take the parcels to them.

Q. Then in competition with express companies the parcel post is not likely to do very much harm, is it, the advantages being in favour of the express companies?—A. It picks up all the shorter distance business and that probably forms the very much larger percentage of the whole.

Q. That applies to an area of how many miles?—A. In what is called the first zone we of course cannot commence to touch the business, we simply have to let it go.

Q. How many miles does that cover?—A. I think it covers a distance of 20 miles. After that it advances more rapidly up to a distance of 11 pounds in the next zone, and then it still farther increases from one province to another, but on the short distance it is safe to say that the parcel post is very much cheaper than the express.

Q. Still, you are of the opinion that the parcel post is taking away business from you?—A. Yes, there is no doubt about that.

By Mr. Kyte:

Q. Will you please give the transportation revenue for 1911, and subsequent years?—A. For 1911, \$2,623,458; for 1912, \$2,962,797; for 1913, \$3,346,320; for 1914, \$3,341,983; for 1915, \$3,100,781.

Q. So the only decrease shown is in 1915, and that amounts to about \$241,000.—
A. There was also a decrease in 1914 but it was very small.

Mr. W. W. WILLIAMSON.