

HON. MR. GRAHAM: I corrected, that this minute. I said that was at that time. There were three left there.

SIR HENRY DRAYTON: Which three?

THE WITNESS: On the side there were three small shops which did not interfere with us at all and we left them there.

*By Sir Henry Drayton:*

Q. How long do their leases run?—A. Five or six years.

Q. What did they demand?—A. They were not asked to get out; we did not bargain with them.

Q. What was their rent?—A. I have not that information here.

Q. Can you make your changes in the building and leave them in?—A. Yes, so we are advised. They are only small shops.

HON. MR. GRAHAM: You did not let me finish my answer. Mr. Beatty says they had a similar offer repeated to them in November, but they held no option on it between those times.

THE CHAIRMAN: November, 1920.

HON. MR. GRAHAM: Yes. The first was in May, 1920, and the last was in November, 1920, but the offer was not considered. He thought the property was too expensive at that time and that they did not require such large premises for their business.

SIR HENRY DRAYTON: That would sound very reasonable.

*By Mr. Kyte:*

Q. Major Bell, have you any knowledge as to whether the value of property increased from 1920 to 1923 from information you received while in Paris?—A. The general opinion was that it had gone up tremendously on account of the scarcity of space. I think, roughly, that rentals, apart from the depreciation of the franc, had gone up as high in increase as 50 per cent, and naturally property would be just about the same.

Q. That is from 1920 to 1923?—A. Yes, depending on the situation.

MR. KYTE: That is all.

*By the Chairman:*

Q. Can you tell me, Major, what the value of the franc was when the offer was made to the C.P.R.?—A. I have not that with me, but I think I could get it for you.

Q. Could you give me any idea as to how the offer to the Canadian Pacific Railway compared with the price paid by the Canadian National Railway, when you consider the relative values of the franc in 1920 as compared with when the purchase was made in 1923?—A. Taking the relative value—if it was 20,000,000 francs and the relative value of the franc at that time, together with the increase in property values, the offer made to the C.P.R. was higher than the price paid by the Canadian National Railways.

HON. MR. GRAHAM: In 1920 when the offer was made, the value of the franc was, at one time, 9.13, I think. It would depend on what day of May it was done. It ran from that to approximately 7, if I remember correctly.

SIR HENRY DRAYTON: We do not have to pretend to know. There is no reason for guessing about it. We can get it absolutely.

HON. MR. GRAHAM: I had it in my pocket this morning, and thought I had it with me. In November the value of the franc ran from six-something to eight-something.

[Major G. A. Bell.]