

APPENDIX No. 3

Q. From what source do you get that information?—A. From the sworn reports of the express companies to me.

Q. What express companies have reported and are included in that statement?—A. The American, British American, Canadian, Canadian Northern, Dominion, Great Northern and Wells-Fargo Company; seven companies.

By Mr. Sinclair:

Q. The figures you give were the value of the equipment of these companies in Canada?—A. In Canada.

By the Chairman:

Q. Was this acquired out of capital?—A. It was absolutely, every penny of it, paid out of revenue.

Q. Out of profits or revenue?—A. Yes. In fact I might say again, to emphasize the point, that there is no trace in the reports of a single dollar of capital having been used for anything whatever in connection with the express business in Canada.

Q. That is, it did not require any capital investment?—A. I go further. I say they did not invest a penny in anything that is tangible. They did not buy property, buildings, equipment or anything else, with a single penny of capital in Canada.

Q. They have bought some buildings, or erected some?—A. They have built them out of profits or earnings. Take the case of the Dominion Express Company as an illustration. That company simply used the credit of the Canadian Pacific Railway for the purchase of whatever equipment was necessary to start the business of the Dominion Express Company, and whenever the earnings came in they paid the debt out of earnings and that was the end of it.

By Mr. Sinclair:

Q. What is that "other equipment"?—A. The items are here in part (indicating statement). It consists of automobiles, car safes, messenger safes, office furniture and so on. The analyzed account is fairly complete in the detailed statement given here by each company.

By the Chairman:

Q. Do you know anything of the value of the express equipment of this character on the Intercolonial?—A. No, sir. For the reason that the express equipment on the Intercolonial is owned either by the Canadian Express Company or the Dominion, and there is no assignment of that property by railways in the report to me. It is just a return as a whole, scattered all over the Dominion.

By Mr. Loggie:

Q. It is not segregated at all?—A. It is not segregated at all.

By the Chairman:

Q. From your knowledge of this matter, acquired through these reports, interviews with officials of the express companies and otherwise, do you think the express business in Canada has been a profitable one?—A. By every fair and proper test, Mr. Chairman, the express business in Canada has been enormously profitable and I use the word "enormously" with a full knowledge of all it implies.

Q. Have you any means of saying what the net operating revenue of the various express companies have been, except since 1911?—A. I gave you the figures and they appeared in your report of the last meeting.

Q. That was since 1911?—A. Exactly.

Q. You have nothing definite—A. Anterior to that?