

Major BELL: No, we have to have cash, because if we did not do that, that money would lapse and we would have to come to Parliament for a vote. To run the insurance fund properly we practically give it to the Government, because we invest it in Government bonds, and there is a small committee of the Board who from time to time check over all the investments of the Financial Department.

The CHAIRMAN: How much of a surplus have you in that fund?

Major BELL: Roughly speaking between \$3,000,000 and \$4,000,000.

Mr. MILNE: Is the Merchant Marine Insurance carried in the same way?

Major BELL: In the same way. There are a few policies which have not lapsed, but which will lapse in a few months, and before the end of 1924 it will all be carried in our own fund.

Mr. STEWART: With regard to the Merchant Marine; how long has this been in effect?

Major BELL: This was put into effect with the new Board. When Sir Henry (Thornton) first came out the matter was taken up and was dealt with by, I think, the Board Meeting of February, 1923. In the meantime, we renewed our insurance that was lapsing on December 31st, 1922, a month at a time, until the policy was determined by the Board, and they determined to carry their own insurance.

Mr. STEWART: Was that \$1,000,000 you refer to part of the general insurance you carried on the Marine—

Major BELL: Both. It is in the Annual Report.

Mr. STEWART: Does the insurance on the Merchant Marine show an equal profit to the railway, over the expense that would be incurred insuring with private companies?

Mr. KYTE: Mr. Chairman, if you will permit me I would suggest—

Mr. HARRIS: Before Mr. Kyte speaks. I might say I happen to be on the Banking and Commerce Committee and this morning the business of the Banking and Commerce Committee, as everyone knows, is extremely important, especially for some of us who happen to have two branches of the Home Bank in our constituencies. An argument is being given before that Committee, and inasmuch as I am a member, I find I will have to withdraw from this Committee this morning.

Hon. Mr. GRAHAM: Our difficulty is this. The other day, if my memory serves me right, Sir Henry (Thornton) was asked to give the name of a gentleman who advised him in reference to the Paris building. He did not care to say who the gentleman was. Now, one of the gentlemen is here and is ready to give his evidence.

Mr. HARRIS: Was it understood he was to be here this morning?

The CHAIRMAN: No, we did not know it yesterday.

Mr. HARRIS: I think the Committee will appreciate my position.

The CHAIRMAN: Could this gentleman be here later on, or will that make it awkward for him?

Mr. KYTE: (To Mr. Pratt) Are you remaining in Ottawa?

Mr. PRATT: All day.

The CHAIRMAN: And tomorrow?

Mr. PRATT: I am not sure.

Hon. Mr. GRAHAM: If you don't mind waiting, we will go on with something else, and perhaps Sir Henry (Drayton) may come in. I do not want him to think we are doing anything without his knowledge.