

Mr. STEWART: May I ask if it was understood that a request I made two or three days ago was to be complied with, as to a return for at least one voyage of a grain boat on the Great Lakes?

Sir HENRY THORNTON: Yes, I remember that question, and that will be given to you to-morrow.

Mr. STEWART: I just wanted to make sure it was not overlooked.

Sir HENRY DRAYTON: Does this photograph give us the frontage? It is marked on here, 185 feet frontage on Rue Scribe, and 106 feet on the Boulevard.

The CHAIRMAN: Unless there are any objections, I would suggest that we go on with the National Railways statement. In connection with the Merchant Marine, Sir Henry Thornton made a preliminary statement, and I do not know whether he would care to follow the same procedure in connection with the railways or not.

The witness retired.

Sir HENRY THORNTON recalled.

The WITNESS: Mr. Chairman, I think any general statement which I might have to make would not add to what has already been said in the annual report.

The CHAIRMAN: Very well, we will go ahead and questions may be asked as we go along. The first section deals with the mileage. Is there any question in regard to that? That speaks for itself. The next is, "Revenue." I notice in an item in connection with the revenue, the third one dealing with mail contracts shows a slight decrease. Did the Government cancel some of the mail-carrying contracts with the Canadian National?

Sir HENRY DRAYTON: It was caused by a slight rearrangement of rates, an Order in Council passed about 18 months ago.

The WITNESS: That was due to a rearrangement of the rates, as Sir Henry Drayton points out.

*By the Chairman:*

Q. Sir Henry, I might ask you a question; does the Canadian National Railway get as much of the mail business as the Canadian Pacific Railway?—A. No, we do not.

Q. Are you satisfied with that condition?—A. No, I am not.

Q. I do not think you ought to be. Do you know what the difference is?—A. Well, my feeling—and this is only my personal opinion as an officer of the Canadian National Railway system—is that the Government ought to proportion the payment for mail services on the basis of the mileage of the respective systems. We are not getting, on that basis, our proportion.

Q. Might that possibly not be caused by old contracts that have not expired?—A. It might be. We have that whole question up now, with a view to securing a larger proportion of the mail contracts.

Q. Do you know what the total amount is, that is paid by the Government to the two railway systems?—A. No, I cannot tell you that offhand, but it is not difficult to get.

Q. But you do know that the National system is getting less than the Canadian Pacific Railway?—A. Yes, and I am not satisfied with that distribution.

*By Mr. Stewart:*

Q. Are the charges the same?—A. Yes, broadly speaking, the basis of payment is the same for each company.

Q. Is the National system getting as large a proportion now as the railways which now form the Canadian National system were getting before they were taken over?—A. Yes, I should think that question could be answered in the affirmative.