

By the Chairman:

Q. That figure 56,023 employees includes rail as well?—A. Yes.

By Mr. Neill:

Q. Does that take in the railways?—A. Yes, the Canadian Pacific as a whole. I am not giving this as a comparison—

Q. Certainly you are.—A. —but I am saying that that is what we are contributing in the whole to Canadian labour — \$75,000,000.

By Mr. MacInnis:

Q. I think that is a wrong way to look at this item. As a matter of fact, you could not contribute anything unless the Canadian community made use of your services?—A. Quite.

Q. The moment the Canadian community stopped using your services, that moment the value of the company disappears?—A. Yes.

Q. That is not the way to look at it?—A. You can hardly say the Canadian community because a great deal of that money is earnings on traffic that originated beyond Canada. It is brought into Canada. The earnings of the company are not all from Canadians. I think you could say that far from the total earnings of the Canadian Pacific Railway company obtain from traffic are paid for by Canadians. However, that figure is given as indicating the amount of the expenditure of the company in Canada.

By the Chairman:

Q. You also have in mind too, have you not, Mr. Flintoft, that the service was of such a high grade and nature that this amount of money was paid by those who wished the service?—A. No. This is not the amount paid by those who wished the service, sir; this is the amount we pay out for Canadian employees; and the only point I would like to make about it is that our concern is primarily—I am not going to say it is an unselfish concern—I am saying it is primarily the success of the company's operation; we want to get as much business for the Canadian route as we possibly can. I think you know, without my stressing it any more, that we are up against the very severest competition on the Pacific ocean of any other part of the world, because the United States is determined to get just as much of that oriental traffic as it possibly can—not only oriental, but Australian as well—and we have put Canada over a period of fifty years practically on the front street of world communications. This Pacific service is a very large contributing factor. We have brought to Canada traffic, passengers and trade that would never have seen the Dominion of Canada if it had not been for this high class service that we operate between Great Britain and the continent of Europe and Canada and the Orient.

By Mr. MacNicol:

Q. In fact, a great deal of your traffic on your Pacific service originates in Great Britain?—A. Quite so.

Q. Traffic going from Great Britain to Asiatic or Australian ports?—A. Yes. In fact, that was the origin of the service; the British government was the party that first arranged for this service with that 60,000 pound subsidy. That was the occasion for building the first three Empresses. They wanted another route to the Orient through Canada, and a route that would be all on British soil.

The CHAIRMAN: An all red route.

Mr. FLINTOFT: Yes, all British route—British shops and British rail.