

since freights paid in Great Britain and freights paid to New Zealand are payable in sterling. By bringing the money home to Canada, and watching the money market, and buying judiciously, we have been able to make a showing to this extent.

Mr. POWER: Last year, were you able to do as well?

Sir HENRY THORNTON: No, the longer you play a game, the better you play it.

Mr. POWER: Not necessarily, Sir Henry. A lot of people have lost a great deal of money manipulating the exchange, or gambling on the exchange.

Sir HENRY THORNTON: It was not so much a matter of gambling, it was a matter of giving the best consideration to what we had to do.

Hon. Mr. DUNNING: Is your loss on operating ships included in that item?

Mr. TEAKLE: No sir. Sterling exchange has been more settled, in the last twelve months, than it was a year ago, and there is a difference of almost twenty cents to the good, if my memory serves me right.

Mr. POWER: It has been going down?

Mr. TEAKLE: Yes, so that that has allowed the market to remain more satisfactory.

The CHAIRMAN: The next item comes under the heading of "Expenses:"

Operation of Vessels—Closed voyages . . . . \$10,177,311.11

Are there any questions in regard to that item?

Mr. BOYS: That shows an increase over last year of half a million, does it not?

Sir HENRY THORNTON: Yes, about half a million.

The CHAIRMAN: That is because of increased business, I suppose. That is the big item, gentlemen.

Mr. BOYS: Is it entirely attributed to increased business?

Mr. CLARK: Is it not due also to greater losses on certain routes?

Mr. TEAKLE: I could not say that exactly. We have increased our revenue by \$1,066,000.

Mr. CLARK: You cannot say exactly, by examining certain routes, the losses made on certain routes in 1924, or rather the losses made on the same routes in 1925? As I understand it, you stated the other day that you had taken certain ships off certain routes on which you were losing money, and had put them on other routes, with good results. There were some routes last year on which you lost money. Can you tell us by a comparison between amounts lost on those particular routes last year, with the losses the previous year, whether or not the losses are not due to some extent to the circumstances I have mentioned?

Sir HENRY THORNTON: There is no doubt, gentlemen, that we improved our general condition this year by withdrawing ships from certain routes, which we found to be unprofitable, and putting them on other routes which proved to be profitable. There is no doubt about that.

Mr. CLARK: Did you lose more money on those routes last year, than the year before, the unprofitable routes.

Sir HENRY THORNTON: I could not say whether we lost more on those unprofitable routes last year than the year before, or not. Mr. Teakle can tell us that.

Mr. TEAKLE: Yes, I think we lost more money last year.

Mr. CLARK: Can you give us roughly the increased loss?

Mr. TEAKLE: I would rather give that privately.

Mr. JELLIFF: I think you could surely give it to us, without disclosing what they are. I do not want the routes designated.

The CHAIRMAN: Will it be all right, if you did not designate the routes?

Sir HENRY THORNTON: We can give you that in a few minutes.

The CHAIRMAN: We will continue with something else. The next item is Stevedoring and Wharf Expenses . . . . . \$ 20,256 67

Operation of Agencies . . . . . 136,792 93