

Mr. FLINTOFT: It should be 21 knots instead of 19 knots for the *Empress of Canada*, and in the case of the *Empress of Japan* her service speed is 22 knots instead of 21 knots. As a matter of fact, she has to make that speed in order to maintain her schedule with the stops at Honolulu.

In 1931 the 26,000 ton *Empress of Japan*, with service speed of 21 knots was placed in the service, so that the fleet to-day has a total tonnage of 81,136, and capitalization of \$23,282,396. We have succeeded in developing a service which at the present time is recognized as being unrivalled on the Pacific for speed and excellence of accommodation, and it has been of immense value to the Dominion in developing trade and Imperial communications.

You will notice that the capitalization has increased from the original \$3,500,000 up to \$23,000,000 odd in the Pacific service.

The company's purchases in Canada for supplies for its transpacific fleet in the year 1935 amounted to \$1,814,279.40, practically all of which was spent in British Columbia. This expenditure alone meant indirect employment for many Canadian workers.

In addition to the competition with direct United States and Japanese services from the Pacific coast to the Orient, we are competing with the following lines:—

- East Asiatic Line (Danish), Antwerp to Manila and Kobe.
- Hamburg-American (German), Hamburg to Manila and Yokohama.
- Wilhelmsen Line (German), Hamburg to Manila and Yokohama.
- Messageries Maritime (French), Marseilles to Hong Kong and Kobe.
- Swedish East Asiatic Co. Ltd., Oslo to Manila and Kobe.
- Lloyd-Triestino (Italian), Trieste to Hong Kong and Shanghai.
- P. & O. Line (British), London to Hong Kong and Yokohama.
- Blue Funnel Line (British), Liverpool to Hong Kong and Yokohama.
- Barber Line (American), New York to Manila and Yokohama via Panama canal.
- Blue Funnel (British), New York to Manila and Shanghai via Panama canal.
- Silver Line (British) New York to Manila and Shanghai via Panama Canal.
- O. S. K. Line (Japanese), New York to Yokohama and Kobe via Panama canal.

Then I draw your attention to a statement at the top of page 8:—

It must not be forgotten that this is an international service. The ships not only engage in a direct service between Canada and Oriental ports but in the coastwise trade in the Orient as well. We do not keep a record separating passengers as to nationality, but we have made an examination of the official passenger way-bills for the last six round trip voyages in 1935, which show percentage of Orientals carried as follows:—

Through transpacific . . . . .	61.57 per cent
Inter-port in the Orient . . . . .	72.53 " "
Through transpacific and interport in the Orient combined . . . . .	67.05 " "

Mr. REID: What is an inter-port?

Mr. FLINTOFT: Between Hong Kong and Shanghai, the local movement.

Captain AIKMAN: And Manila.

[Mr. E. P. Flintoft.]