

per annum. I think that should be \$690,000, so the record may be correct. That was the official figure given us last year when Mr. Bawden, of the department, was before us.

Then, on the first page, might I draw the attention of Mr. Clendenning and the committee to the fact that the resolution is not asking for the entire prohibition of the employment of orientals. If you will read the resolution you will see that it says, "greater numbers of white Canadian citizens." His statement here would lead one to believe that we are asking for the entire prohibition of the employment of orientals; which we are not doing.

Has Mr. Clendenning any figures regarding the subsidies, and the reasons for the subsidies, paid either to the Japanese steamships or to the American steamships. My understanding is that a subsidy is paid by these two nationals not altogether with a view to employment or trade, but with a view rather to their being used as naval vessels; so you can hardly compare their subsidies with those paid to vessels on account of trade. As I understand it their subsidies are paid on a basis essentially similar to that used by Great Britain, with a view to these ships being constructed in such a way that in the event of war they will be available?—A. The Canadian Pacific ships come in that same category, but they get the subsidy.

Q. No, as we do not subsidize any ships with a view to their use in war?—A. But for trade and the carrying of mails.

Q. I may be wrong in this?—A. Nevertheless in respect to the construction of Canadian Pacific vessels, they are fast vessels and in the case of any hostilities they would be immediately commandeered and put into service exactly the same as the others.

Q. Have you any information or data with regard to profits made by these steamship companies in conjunction with subsidies; whether they are running at a loss or not?—A. No. I may tell you, frankly—

The CHAIRMAN: Which ones do you mean?

Mr. REID: The American and Japanese, which he claims in this statement are receiving large subsidies.

*By the Chairman:*

Q. Have you anything on that?—A. No, I haven't. I can make this statement, which I think is more or less public property, that most of the American lines operating on the Pacific coast are practically broke, for one reason or another.

*By Mr. Reid:*

Q. I wonder what that means; it is so easy to say they are "broke." That word is one which has a lot of meanings in so far as business is concerned. It is not hard for them to show that they are broke, nor is it hard to prepare a statement to show that they are broke?—A. I may say this, Mr. Reid, one of the ships of a Japanese subsidized line calling at the port of Vancouver just the other day was unable to advance sufficient cash to meet the pay-roll for the discharge of her cargo, and the vessel was tied up for two days in Vancouver before she could unload.

Q. I wonder if you could tell me, and tell the committee, from this brief, why it is that, if my statement is not correct with regard to the subsidies paid by Japan, Japan requires a subsidy to compete with the American lines. I do not know whether you have any figures on that?—A. No.

Q. Well, I have some, but I want to get more information about the figures; I want to know why it is that Japan requires a subsidy to compete with the American lines, say, when the American lines, while not the highest, pay the

[Mr. F. H. Clendenning.]