

Mr. CLYNE: Seize the ships. The last sale of a ship of this kind was a British vessel of similar type which produced 72,000 pounds, and I feel this is the most advantageous arrangement, that is to accept the assignment of the net earnings.

Mr. MACDONNELL: You think it is better to let them carry on—do you think they are good managers?

Mr. CLYNE: Yes, they are experienced shipping people and so long as I get the net revenues I will be satisfied.

Mr. FRASER: Where do they generally carry from?

Mr. CLYNE: They are tramp owners.

Mr. FRASER: They will be carrying for independent companies?

Mr. CLYNE: Their ships will be available for charter and the advantage we have here is that under the arrangement which has been made with the United Kingdom government these ships can be transferred to the United Kingdom flag and will be able to earn revenues by participating in the sterling freight market and, under the arrangement made with the British government, the net profits will be permitted to be transferred to Canada in dollars—and we will get them.

Mr. MACDONNELL: But you have hopes that they will again be in operation and earn a profit?

Mr. CLYNE: Yes.

The CHAIRMAN: Next item? P. & T. Steamship Company.

Mr. CLYNE: Three ships; \$1,582,500 was the original purchase price under that obligation. These figures are exactly the same as the others. The amount outstanding was \$1,208,215.32 as of March 31, 1949; and at the present time the company owes \$1,186,875.

Mr. MACDONNELL: That is the same as the others?

Mr. CLYNE: Exactly the same; three ships with precisely the same position.

Mr. MACDONNELL: Are they the same owners?

Mr. CLYNE: No, not the same owners but they have also been laid up. They are exactly the same type of ship as those of the Ivor Shipping Company Limited. The company is not in good financial position and we have had an audit made within the last month and that audit has just been received and is now before the commission for action.

Mr. MACDONNELL: What is the P. & T.?

Mr. CLYNE: My Greek is not as good as it was, but I can tell you that the principal shareholder likewise resides in Montreal.

Mr. MACDONNELL: Is he an experienced operator?

Mr. CLYNE: I would say that he has not the same experience as the other owners with whom we are dealing.

Mr. MACDONNELL: Has he in fact had other steamship experience?

Mr. CLYNE: Yes, he has operated and does operate other steamship companies.

Mr. MACDONNELL: Are you satisfied in his case to leave it in his hands; that is, are there other people whom you consider as having better experience?

Mr. CLYNE: Frankly, if some proper proposal is not made to us within the next month I would consider it advisable to take steps to recover these vessels.

Mr. MACDONNELL: Can that be done expeditiously?

Mr. CLYNE: Yes.

Mr. MACDONNELL: That brings us to Seaboard.