APPENDIX

TO THE

FIFTY-SECOND VOLUME

OF THE

JOURNALS OF THE HOUSE OF COMMONS

DOMINION OF CANADA

SESSION 1916

PART II.

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LIST OF APPENDICES, 1916.

PART I.

No. 1.—Reports of the Select Standing Committee on Public Accounts in connection with the consideration of certain payments: The evidence, as appended to the Second, Fourth, Fifth, and Sixth Reports of the Committee, dated respectively, March 15, May 2, and May 17, 1916, *recommended printed as an Appendix to the Journals. Concurred in. See Appendix No. 1. Printed.*

No. 2.—Reports of the Select Standing Committee on Agriculture and Colonization, respecting evidence given, in connection with the consideration of the Improvement of Canadian Agriculture, by Mr. Nunnick, as appended to the First Report of the Committee, dated March 21, 1916; also the evidence given, in connection with the consideration of Immigration, by Mr. Robertson, as appended to the Second Report of the Committee, dated April 3, 1916, *recommended printed as an Appendix to the Journals. Not concurred in.* See Votes and Proceedings, page 739, Second Report of the Joint Committee on Printing. *Not printed as an Appendix.*

PART II.

No. 3.—Report of the Select Standing Committee on Marine and Fisheries, respecting evidence given, in connection with the consideration of a Resolution relating to the spread in price of sea-foods in Canada between the points of production and consumption, as appended to the Third Report of the Committee, dated May 4, 1916, *recommended printed as an Appendix to the Journals. Concurred in. See Appendix No. 3. Printed.*

No. 4.—Report of the Special Committee, appointed to consider and report upon the Rates of Pensions to be paid to disabled Soldiers and the establishment of a Permanent Pensions Board: The evidence given, and the statements submitted in connection therewith, as appended to the Third Report of the Committee, dated May 10, 1916, *recommended printed for distribution and as an Appendix to the Journals. Ordered printed forthwith. See Appendix No. 4. Printed.*

OFFICIAL REPORT

OF THE

EVIDENCE TAKEN BY THE MARINE AND FISHERIES COMMITTEE OF THE HOUSE OF COMMONS, CANADA, DURING THE SESSION OF 1916

RESPECTING

A cheaper breakfast table—American markets—Better facilities for handling freight —Capital stock and equipment of express companies—Central Canada markets for coast products—Commissions—Competition possibilities—Competitive rates —Cold storage—Co-operation to assist trade—Demonstrations of certain products to create more demand—Deterioration of food products in transit—Distribution of receipts between express companies and railways—Distribution of sea foods—Education towards the greater use of sea foods—Effect of Parcel Post on express transportation—Equipment to facilitate transportation—Express companies collectively and separately—Fast freight service—Fast freight *vs.* express shipments—Government aid to assist trade along certain necessary lines —Government operation of express service on Government railways—Growth of business—How to increase demand—Improved conditions for trade—Importations of food products—Increased charges for express privileges—Increased use of sea foods—Interstate Commerce Commission Report—Inspection of food products—Loss through indifferent methods—Lower rates needed to increase business—Minimum and maximum car-load lots and rates—Nationalization of express companies—Pedlar-cars for breaking shipments en route—Prices, first cost, wholesale and retail—Railways, Federal aid to—Railway companies generally in Canada—Railway owned express companies—Receipts, expenses and profits of express companies—Refrigerator cars, express and otherwise—Refrigeration—Retail trades specially—Shrinkage of food products during transit and after—Spread in price—Subsidized express service—Supply—Transportation specially—Transportation improvement—Wholesale trade—Working agreements between companies, their effect—Working classes supplied with sea foods at less price—Etc., etc., etc.

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1916

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ORDER OF REFERENCE.

HOUSE OF COMMONS.

OTTAWA, January 21, 1916.

Resolved,—That the following members do compose the Select Standing Committee on Marine and Fisheries:—

Messieurs:

Alguire,	Hazen,	Pardee,
Barnard,	Hughes *(Kings, P.E.I.)*,	Power,
Boulay,	Jameson,	Robidoux,
Bradbury,	Kyte,	Shepherd,
Cardin,	Lafortune,	Sinclair,
Casgrain,	Lapointe *(Montreal, St. J.)*,	Stevens,
Chisholm *(Inverness)*,	Loggie,	Stewart *(Lunenburg)*,
Clarke *(Essex)*,	McCurdy,	Taylor,
Clements,	McKenzie,	Truax,
Copp,	McLean *(Queens, P.E.I.)*,	Turgeon,
Fowler,	Morrison,	Wallace, and
Gauthier *(Gaspé)*,	Nicholson,	Wilcox.—36.

And that the Quorum of the said Committee do consist of Ten Members.

Attest.

THOS. B. FLINT,
Clerk of the House.

Ordered, That the Select Standing Committee on Marine and Fisheries be empowered to examine and inquire into all such matters and things as may be referred to them by the House; and to report from time to time their observations and opinions thereon, with power to send for persons, papers and records.

Attest.

THOS. B. FLINT,
Clerk of the House.

APPENDIX No. 3

HOUSE OF COMMONS.

THURSDAY, February 3, 1916.

Ordered, That the following Resolution be referred to the said Committee:—

That, whereas, fish is a highly nutritious and palatable article of food, of which abundant supplies are continually available at low prices at the sea-coast and inland waters of Canada; and, whereas, in order that an increased demand for fish might be speedily developed in the interior markets of the country by having the same placed thereon in prime condition and at moderate prices, the Government has been and is assisting the industry, under certain conditions, by paying a portion of the express charges, and providing more adequate transportation facilities; notwithstanding which, the prices at which fish can be purchased in such interior markets seems unreasonably high, as compared with those received by the producer, which condition is militating against the ends in view.

Therefore, be it resolved, That, in the opinion of this House, it is desirable that an inquiry should be made to determine if possible the cause or causes of the great discrepancy between the price of fish at the places of production and that charged on the interior markets.

And it is further resolved, That this resolution be referred to the Committee on Marine and Fisheries, with instructions to consider the subject matter thereof and make such inquiry.

Attest.

THOS. B. FLINT,
Clerk of the House.

FINAL REPORT.

HOUSE OF COMMONS,

THURSDAY, May 4, 1916.

Mr. Jameson, from the Select Standing Committee on Marine and Fisheries, presented the Third Report of the said Committee, which is as follows:—

Having had under consideration a Resolution, referred by the House to the Committee, relating to the spread in price of sea foods in Canada, between the points of production and consumption, and having examined witnesses under oath in connection therewith, your Committee ask leave to herewith transmit, for the information of the House, the evidence taken together with the following conclusions and recommendations:—

CONCLUSIONS.

That the demand in Canada is chiefly for fresh frozen, and mildly cured fish.

That there is at present serious delay in shipments by fast freight.

That there is at times deterioration in the quality of the fish when shipped by express, owing to lack of suitable equipment.

That express carriers are not giving westbound carload rates; are unwilling to open the car in transit to set down part of its load, and are charging rates which seem to be heavy for the service given, and which are greatly in excess of those on the same commodity eastbound.

That a shrinkage in weight, between the fisherman and the retailer, amounting to as much as 15 per cent occurs, due in part at least to lack of proper refrigeration in transit, and a further loss of 5 per cent to 10 per cent or more occurs in retail stores; those poorly equipped losing most; and all such loss is charged in the price paid by the consumer.

That the average cost of delivering fish from the retail store, to the consumer, in cities, is about 1½ cents per pound.

That an inferior quality of fish is being supplied to consumers in interior markets at high prices, imposing an undue burden on the consumer and preventing the increased consumption of what should be a cheap food and more extensively used.

That the shippers' price at points of production of fish, annually consumed in Canada (according to Departmental Reports) is roundly $15,000,000, but under present conditions the cost thereof to the consumers in Canadian centres would probably be $45,000,000.

That the marketing of largely increased quantities of sea foods in Canada await the proper organization of its distribution (insuring a good article at fair prices) and the education of the people, both as to its food value and the most attractive method of serving it.

That the industry can be greatly stimulated, and a saving of millions of dollars to the people of Canada effected by more highly organized methods of distribution while increased consumption will tend towards reduction in cost.

RECOMMENDATIONS.

1. That inspection of transportation of sea foods, and organization of the distribution thereof, be undertaken by the Department of Marine and Fisheries, somewhat along the lines already inaugurated by the Department of Agriculture in respect to certain farm products.

2. That the express facilities be so improved as to insure daily transportation of sea foods from the east by means of the chilled car service.

3. That the refrigerator car service for the transportation of sea foods be so improved as to render it available on express trains.

4. That the consolidation of shipments for different points in the express refrigerator car, on the basis of carload express rates, to the farthest point, and the opening of car in transit to set down fish at different centres en route, would materially aid prompt and economical distribution of sea foods.

5. That a carload lot express rate, substantially lower than the L.C.L. rate should be fixed on sea foods from the east.

6. That the minimum freight carload quantity, on the Government Railway, be reduced from the new scale of 24,000 pounds to the former scale of 20,000 pounds, in the case of fresh sea foods; and from the new scale of 30,000 pounds to the former scale of 24,000 pounds in the case of cured sea foods.

7. That transportation companies should give special attention to the movement of cars containing perishable food commodities, to secure delivery thereof without deterioration.

8. That an exclusive express service operated by the Government be inaugurated on the Intercolonial Railway and Prince Edward Island sections of the Government Railways, as a preliminary to any general scheme for the nationalization of express business in Canada.

9. That the fish diet be made a special feature on the Intercolonial Dining Cars, the price not to exceed the cost and expense of serving the same, as shown by the evidence.

NOTE.—This would be in line with the policy of certain important railways which make a special feature of food products peculiar to the country traversed by such railways, tending to increase the consumption and advertise the product.

10. That an active publicity campaign be organized by a competent person to promote an increased demand for sea food in Canada.

11 That the Department have made, for demonstration purposes:—

(a) An inexpensive refrigeration box, suitable for use in retail fish stores, in which fresh fish can be attractively displayed without risk of deterioration.

(b) A portable refrigerator, suitable for use in the distribution of sea foods in towns and cities; and that plans and specifications thereof, with estimate of cost, be furnished by the Department upon application.

12. That the existing scale of Government aid in the transportation of certain sea foods by express be for the present continued under regulations as to methods of shipments.

13. That the steps already taken to promote the packing of herrings by the Scotch method are approved, and that special attention be given to the development of this branch of the industry.

AND your Committee further recommend that the said evidence and report be printed as an appendix to the Journals of the House, and in pamphlet form to the number of 25,000 copies, and that Rule 74, relating thereto, be suspended.

APPENDIX No. 3

MOTION TO CONCUR.

HOUSE OF COMMONS,
TUESDAY, May 9, 1916.

On motion of Mr. Jameson, the Third Report of the Select Standing Committee on Marine and Fisheries was concurred in.

MINUTES OF EVIDENCE.

HOUSE OF COMMONS,
Room 301,
MONDAY, February 21, 1916.

Consideration of the resolution of the House of Commons directing an inquiry to be made to determine, if possible, the cause, or causes, of the great discrepancy between the price of fish at the places of production and that charged on the interior markets of Canada, was taken up this morning at 11 o'clock a.m. by the Select Standing Committee on Marine and Fisheries, to whom it was referred. Mr. Clarence Jameson, Chairman of the Committee, presided.

THE CHAIRMAN: I propose first to place the resolution which is the subject of this Inquiry on the record and follow it with a brief statement:

> " That, whereas fish is a highly nutritious and palatable article of food, of which abundant supplies are continually available at low prices at the sea-coast and inland waters of Canada; and, whereas in order that an increased demand for fish might be speedily developed in the interior markets of the country by having the same placed thereon in prime condition and at moderate prices, the Government has been and is assisting the industry, under certain conditions, by paying a portion of the express charges and providing more adequate transportation facilities; notwithstanding which, the prices at which fish can be purchased in such interior markets seems unreasonably high, as compared with those received by the producer, which condition is militating against the ends in view.
>
> " Therefore, be it resolved that, in the opinion of this House, it is desirable that an Inquiry should be made to determine if possible the cause or causes of the great discrepancy between the price of fish at the places of production and that charged on the interior markets.
>
> " And it is further resolved that this resolution be referred to the Committee on Marine and Fisheries, with instructions to consider the subject matter thereof and make such inquiry."

For the purpose of prefacing the evidence which we are to take, and as the mover of this resolution, let me say, I think it is possible to increase very greatly the consumption of sea food in Canada, giving to inland consumers fish in prime condition, at prices much below those now paid for an inferior article. The combined and harmonious effort of shippers, wholesalers, retailers, and transportation companies is necessary to this end. Their co-operation can so highly organize the system of distribution, I believe, as to effect a great reduction in the spread in price:

1. By effecting a short-cut between producer and consumer:
2. By well-organized economy in distribution:

Abnormal conditions, caused by the war, have resulted in prices at the seaboard being, I understand, higher than ever before. Those of us from the coast are glad to know the fisherman is getting a good return for his harvest of the seas. In this, I believe we reflect the feeling of the consumer. But the consumer has rights, which should not longer be ignored, and those rights demand that there shall be no excessive or needless cost, or loss of time, in distribution.

Therefore the dealers and transportation companies owe it to the people of this country to place the distribution of sea-foods upon a proper basis.

In such an inquiry as the present, the evidence, to be useful, will necessarily require to be largely that of experts in the various lines. It is desired also to keep the record within as small a compass as possible, so that it may be easily available. The

witnesses now here are Mr. Brittain of Montreal, a member of the Committee on Transportation of the Manufacturers' Association and Chairman of the Transportation Committee of the Canadian Fisheries' Association; Mr. James, of Toronto, a large distributor of fish; and Mr. D. J. Byrne, President Canadian Fisheries' Association. I propose to call Mr. Brittain first.

Mr. ALFRED H. BRITTAIN called, sworn, and examined.

By the Chairman:

Q. Please state the positions which you hold in the commercial world?—A. Outside of the fact of being managing director of the Maritime Fish Corporation, with plants on the Altantic Coast and head offices in Montreal, I am also chairman of the Transportation Committee of the Canadian Fisheries' Association, and am also on the Transportation Committee of the Canadian Manufacturers' Association.

Q. Can you tell the Committee what the average price paid fishermen for the different kinds of fish on the Atlantic coast is?—A. I could not answer that question, Mr. Chairman, today. Unfortunately I did not have your memorandum given to me in time and I have not got the figures before me.

Q. Those prices would be subject to variation from day to day, I suppose?—A. Yes.

Q. What is the shrinkage in the weight of fresh fish between the time of purchase from the fisherman and delivery to the retailer, say in Montreal or Toronto?—A. About 15 per cent.

Q. Would there be any shrinkage after delivery to the retailer with fish that are sold retail as they are bought, without being cut up, and if so what would that shrinkage be?—A. My knowledge is not very expert on that subject, as we do not handle fish with the retailers, but I belive there would be a shrinkage of from 5 to 10 per cent. Mr. James, who is here, could perhaps answer that question more fully.

Q. That is, 5 or 10 per cent in addition to the 15 per cent you mention?—A. Yes, sir.

Q. What is the average price at which the different kinds of fish are sold to the retailer?—A. Mr. James told me that he had the figures which would answer that question, I think in a very intelligent manner.

Q. What expenses are incurred by the wholesaler in connection with the handling of fish, between the time of the purchase from the fisherman and delivery to the consignee.—A. From the time the fish is taken from the fisherman until such time as it is ready for shipping to the consignee?

Q Yes.—A. There is an expense of half a cent a pound on the bare handling of the fish from the time it is taken from the fisherman until such time as it is ready to be shipped to the consignee. In addition, there is also the expense any firm has in doing business.

Q. That is the overhead charge?—A. Yes, the overhead charge.

Q. That relates to fresh fish only?—A. I think the same would apply to other kinds of fish.

Q. By what means of transportation are the major quantities of fish forwarded to Montreal for other than the Friday markets?—A. By fast freight in refrigerator cars.

Q. I am speaking of other than the Friday markets?—A. By express.

Q. Is the fast freight service mainly relied upon for supplying the Friday markets?—A. Yes.

Q. Is it not possible to use the fast freight service for supplying the markets on other days of the week?—A. In so far as that question is concerned, I think, it might be answered in a very long way, but I will try to be as concise as I possibly can. For shipment to points as far west as Montreal, there is no reason in the world why the fast freight could not be availed of to a greater extent than it is at present. I am only referring to fresh fish and mildly cured fish. For shipment to points

such as Toronto, we will say, which is the next largest centre we have on the map in Canada, I cannot, for myself, see any good reason why the fast refrigerator service from the east to Toronto should not be availed of to a very large extent. I believe that if the railway companies were led to understand that fish should have preference over ordinary merchandise, or over such things as stones, bricks or sand, it would make a great difference. In so far as fish coming from the Pacific coast is concerned, it is a long haul from the Pacific coast to Toronto, but there is no reason in the world why Winnipeg and other inland centres, should not avail themselves of the fast freight service to a greater degree than at the present time. The whole trouble, in so far as I can see it, is that there is no encouragement given to fresh, perishable and mildly cured fish through a fast freight service. The railway companies have been overloaded with business, and perhaps they have done the best they could, but we have never yet seen any encouragement whereby we would get any guarantee that the freight will ever get through. They have no schedule of time on freight, and therefore we have to avail ourselves of the express shipments, which are anything but satisfactory at the present time. And, Mr. Chairman, you have asked for a further question relating to express service, which perhaps I might be given the privilege of answering in connection with the one under discussion.

Q. How do shipments forwarded in refrigerator cars, hauled by fast freight, compare on arrival with those forwarded in ordinary express cars?—A. I could cite you an actual fact. The shipments of Atlantic ocean products, such as codfish, haddock, fresh mackerel, or mildly cured fish, with a refrigerator car service I am quite safe in saying that the fish will arrive in better condition than it does by express to-day.

Q. Why is that?—A. For the simple reason that it does not have the same handling as the express shipment has. Another reason is that the express shipment to-day is anything but an express shipment for perishable fish. In the Maritime Provinces we ship fresh fish, or mildly cured fish, by express in an ordinary box car, which is hotter than any car on the train. No care is given to the shipment at all, and the ice in the package soon melts. Placed in a box three feet long, it is transferred perhaps two or three different times, and the box shoved from one end of the car to the other. When it reaches its destination you can imagine the condition of this originally nice, fresh mackerel from the Atlantic Ocean. In winter time when the people are looking for prompt service, the railways are tied up, owing either to congestion of freight or to the fact that the weather is so cold the train cannot operate on time, and naturally they have to depend upon express service. In the winter time you ship fresh smelts that are frozen on the ice, by express, from the coast to Toronto, and I am safe in saying not a smelt will arrive in a frozen condition. Why? Because the express cars are heated. What is the result? In the summer the express cars are hot, and in the winter they are hot too, because the messenger has to have heat in the car to enable him to travel in it. So you have unsatisfactory express service in the winter and unsatisfactory service in the summer.

Q. May that unsatisfactory service be remedied?—A. Yes, I believe it may be.

Q. In what way?—A. Being naturally in close touch with the railway companies all the time, we have, of course, to work in harmony with them; we realize they have a lot to contend with, and we always try to be as reasonable as possible, but it would mean expenditure in the equipment of cars. Take the ordinary baggage car to-day, it is just as hot in both ends of the car. It is either a case of the railway companies supplying separate refrigerator cars for fish, or, if they cannot afford to do that, then to try to arrange to meet the requirements by having one end of the car shut off into what might be called a blind end, and that end of the car iced, leaving the other end of the car to be used for ladies' hats and for boots and shoes and parcels and other articles that require to be handled by express.

Q. Now you are speaking of express cars?—A. Yes.

ALFRED H. BRITTAIN.

Q. Now what about freight?—A. In so far as freight is concerned—I am now referring to the Maritime Provinces—up till within four months ago we had a very satisfactory service on the Canadian Government Railways, but unfortunately since then they have been overloaded with business through a condition arising from the war in Europe. But when this war is all finished and packed away, if the Canadian Government railways will arrange to give us the satisfactory service that we were getting through to Montreal, and if they will also arrange with the connecting railways, such as the Grand Trunk Railway, which they work with, through which the Canadian Government railways have to send a refrigerator car right through to Toronto, the expense is very little. Take the case of a car going right through to Toronto, the expense is nothing compared with the industry which would be developed if they would run that service through and give the dealers in fish a chance to realize that they could ship and have their products arrive at the destination in good condition. If they will do that I am quite safe in saying that in a very short time we will see carloads of Atlantic fish going through to Toronto and from there being distributed to the entire district around Toronto.

Q. Is the same price charged to the retailer for fish supplied by fast freight as for that supplied by express?—A. Yes.

Q. What have you to suggest to reduce the cost of fish to the consumer and to secure delivery in prime condition, other than that you have already stated?—A. Mr. Chairman, that is a big question, and one which I know you do not want me to start on, because, if I did I might take up too much of the time of the committee. But I will condense——

The Chairman:

Q. Excuse me, if you would just make your statement as brief as you can for the purpose of keeping the record down to a reasonable size, and just deal with each of the features affecting this subject separately, it would meet with the views of the committee, I am sure.—A. Transportation is the first problem after the fish have been produced. Transportation is the first problem in the success of the fish industry, in so far as our interprovincial trade is concerned; that is the one thing we cannot get away from Transportation is the question which every one interested in the fish business has to consider.

Q. That is just the reason why we are here. That is the subject of this inquiry, we understand that, and what we want is your idea as to what will remedy these conditions in the near future?—A. I have already mentioned in brief something about transportation, but it would take a week to give you my views at large. The next question, in so far as my opinion is concerned, is one of publicity. Whether this publicity is done in the form of newspaper advertising, whether it is done in the form of demonstrating, no matter how it is done, it is the next factor towards the success of the fish business. I will take that up by saying that at the present time what we lack is volume—we need volume—and the bigger the volume the lower the price of fish; not a lower price for fish to the fishermen, but a lower price for fish to the consumer and, I believe, in the end, a higher price will be paid to the fishermen.

By Mr. Kyte:

Q. When you speak of "volume," you mean the quantity of fish?—A. Yes, the quantity. Now, if some gentlemen would only ask me questions on that point it might bring out something I know in reference to the present condition that perhaps you do not know. I would like to make myself as clear on that point as possible.

By the Chairman:

Q. There is such a term as a "Pedlar car," is there not? I mean a car on which through rates are charged, carrying goods—fish, to bring it down to one item, at carload lot rates, distributing its load at various points along the route.—A. Yes.

Q. Would it be of advantage if such a service were to be provided from the east as far west as Toronto, or even farther west?—A. It would be of great service. That service runs through to Montreal and that car perhaps might be opened at one or two places along its route to Toronto, which would be the means of stimulating the business.

Q. Should the distribution of fish, after it reaches the point of destination, the delivery, be effected by the transportation company or by the consignee?—A. By the railway company—and we will see that they do it.

Q. Do they always do it now?—A. Yes. I believe, in so far as this pedlar car is concerned, that in the meat business there is some arrangement by which they do not deliver the product.

By Mr. Turgeon:

Q. It would, I think, be of some advantage if the pedlar car were to take small quantities of fish from various points along the route say to Montreal?—A. That would be an advantage in one way, but, on the other hand, we must be fair to the railway companies, if you want a quick service. You take any train coming from the sea to Montreal, they run what they call a fast freight service, through trains composed of cars from different points in the east, that train is probably made up at Truro. There are two or three sections of it running through, and if that train stops at various points along the route to pick up and deliver goods it is going to make it practically impossible for the railway company to run that fast freight service. They also run a "way freight" which does all that picking up along the route. That is a big transportation problem and it is a very difficult one to solve.

Q. If that could be arranged it would be of very great advantage to many of the smaller localities where they have not sufficient shipments to make a carload lot.—A. Yes, I am quite sure it would be.

By Mr. Kyte:

Q. You referred to the question of stopping at different way stations: Did you mean for the purpose of picking up or putting off the freight?—A. One of the members of the Committee asked me the question, as I understood it, about stopping at different points to pick up fish. But it is the same thing if they stop to put off fish. They have been shipping from, say, east of Truro and if you wanted to pick up or lay down fish at Campbellton, or somewhere else along that line—just for the sake of argument—it means that the train is delayed, not only for the picking up but for the putting down, and if that happened at very many points it would be impossible to get a fast freight service.

Q. Take Campbellton, for instance, do they not have to change engines at that point, and could they not pick up or put off fish whilst they were changing engines? —A. Yes, if there were a carload of fish there ready they might be able to switch it on, but to have five or ten packages to handle and to put in the car it would delay the train.

Q. Could that not be done while they were changing engines?—A. No, the railway people claim that it is impossible to do it on the fast freight service, but they could do it on the way freight. If they were to hold the train for that purpose they would be getting away from the idea of a fast freight service, and that is what we want to encourage instead of discouraging.

By Mr. Boulay:

Q. This fast freight train would be the one to carry the fish instead of by express?—A. Of course what I would prefer would be to see an express train for fish, but what I would prefer and what I think is feasible are two entirely different things. What I hope to see one of these days is express trains running instead of

express cars, where the trains will carry only baggage and perishable products. But, of course, it is a matter of volume; the railway companies have to have volume to pull a train; they won't pull two cars over the line because it does not pay them. With a big equipment they can pull ten, fifteen or twenty cars and make money, just as we have to. I am not sympathising with them, still I am trying to be reasonable.

Q. These fast freight trains are very slow trains, you know that, I suppose?—A. Oh, yes. The schedule time for a train from Mulgrave to Montreal is fifty-six hours, on a distance from 800 to 900 miles. A fifty-six- hour run, so far as we are concerned, is not a wonderfully fast run. They can run a fast freight train as fast as they can run a passenger train if they want to.

By Mr. Wilcox:

Q. Does your company handle any of the fish on the Great Lakes?—A. No, sir, we only handle fish from the Atlantic coast.

My Mr. Kyte:

Q. How is the distribution of fish made in the United States, by train service?—A. It is made by fast freight and express something similar to ours, but on improved conditions.

Q. Would it be possible to have these improvements effected on our roads?—A. Yes, it would be. We could have a great many if we could only get the railway companies to see eye to eye with us.

By Mr. McCurdy:

Q. What is the reason the refrigerator express service was dropped? Was there not sufficient volume of business?—A. I could never understand up to this day why that service was dropped. I believe it was the nucleus to a successful operation; it was the forerunner of the freight service; it gradually introduced the fast freight service. My good friend over here (Mr. James) could bring in a thousand pounds or two thousand pounds, but he woke up and said: Boys, I can handle a carload. The minute we can get a carload of fish to one consignee we are all right. That was a splendid service. I must say that when the Government put that service on it did splendid service to the fishing industry, to the fishermen, the dealers, and the consumers.

By Mr. Kyte:

Q. How long was it in use?—A. I do not know; about two or three years, I believe. I do not think it cost very much.

By Mr. McCurdy:

Q. At the time it was introduced I urged it very strongly myself, as being something that, if undertaken for a year or two, would demonstrate to the express companies that there was enough business to justify its continuance. I have never had an opportunity of seeing the growth of the shipments under that method of transportation, have you?

THE CHAIRMAN: Mr. Found will be able to make a definite statement with regard to that service a little later.

THE WITNESS: The service gradually got to the point, with some exceptions, where it might be termed self-sustaining, and then is the time when, in my humble opinion, you want to keep her going for a few years longer.

THE CHAIRMAN: Quite the opposite was the case, I understand.

MR. MCCURDY: I would like to have a statement made while Mr. Brittain is here.

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APPENDIX No. 3

By Mr. Kyte:

Q. How far west do you ship fish?—A. Perishable fish, by express, as far west as Ontario.

Q. Western Ontario?—A. Yes, we ship right through to Windsor, but Toronto is the big centre, and there they handle the business practically for Ontario. They handle our fish and ship it right through to Windsor.

Q. Does it reach there in good condition?—A. Not in anything like the condition in which it is shipped. If the people in Ontario could only see the fish the way it is shipped, the trade would be very much larger. There they have so much lake fish that arrive in a live state and the eyes popping out of their heads. This gives it priority over the sea fish which arrives a little stale.

Q. That being the case, is it reasonable to expect in the face of the large supply of fresh lake fish they are getting that you can put in a large quantity of Atlantic fish?—A. Yes, it is.

Q. Is it preferable to the lake fish?—A. Sure it is.

Q. According to the taste of the people of Ontario?—A. That is a hard question to answer, because inland people know nothing else but lake fish—that is where they stop; their knowledge stops there. It is like a person who never had a whiff of the salt air.

By Mr. Copp:

Q. Suppose your contention is correct that the Atlantic coast fish is very much superior to the lake fish, how would that affect the fish trade up there?—A. It would help to reduce the high price of lake fish, which is to-day three times the price of sea fish.

Mr. Wilcox: My impression is there is not very much of it sold in Canada.

By Mr. McKenzie:

Q. Where is your fishing ground?—A. It starts at Yarmouth, N.S., and it goes right through to Canso, or even Sydney.

Q. Do you get any from the Maine coast?—A. No, sir, we have put it off the map. With the co-operation of the present duty, and with improved transportation facilities, we have put it off the map entirely, which it should be, too.

Q. When it was coming in from the United States how was it conveyed from Gloucester to Montreal?—A. By express, also from Portland or Boston by express, even by freight at times, an over-night run.

Q. There is no more imported now?—A. It is off the map so far as I can read from our blue books. We will keep it off as long as we are alive, too. Why should Canadian fish be shipped from Boston into Canada? That I cannot understand.

By Mr. Kyte:

Q. The statement was made in the past that it was because the Montreal dealers could not depend upon a steady supply of fresh fish from Nova Scotia?—A. Absolutely right.

Q. And it is because you are getting a steady supply from Nova Scotia that you are not obliged to import from the United States?—A. That is the solution of the question. At the present time—it was only last week that we had 130,000 pounds of fresh fish landed on the Atlantic coast. It is landed by steam trawlers. Perhaps you won't all agree with me, but I believe that the steam trawler in addition to the methods we have on the coast is a necessity, and not only is it a necessity, but it is a great help to the fishermen. I know that steam trawlers have been the result of raising the price of boat fish not once but a dozen times.

Q. Why has the use of steam trawlers increased the price to the boat fishermen? —A. Because it has given a steady supply.

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Q. I understand that you purchase entirely from the steam trawler?—A. No, sir. We derive our bread and butter from the boat fisherman. He is the man we are encouraging, and the schooner also, and the man we will stay with because he is the bread and butter of the organization in which I am interested.

Q. At certain seasons of the year only?—A. All seasons of the year, although at certain periods they go into their huts and retire for a time. Up to a few years ago they were dependent upon the United States for their markets.

Q. You say it is the steam trawler that gives you the right supply of fish?—A. Yes.

Q. Then the boat fisherman is a secondary consideration to the large dealer?—A. No. I do not say that.

Q. But that is what I am asking you.—A. The two working together help towards a steady supply. You understand, of course, that a steam trawler cannot fish in competition with a boat fisherman or a schooner, because the operation of a steam trawler costs in the neighbourhood of a thousand dollars a week whether she gets fish or not. Therefore the steam trawler will never in the world be able to compete against a boat fisherman or a schooner, because the latter can always compete with the steam trawler as far as regards dollars and cents.

Q. With regard to the improved conditions for transporting fish in the United States, will you please indicate to the committee in what respect the railway transportation in the country to the south is better than here, and if we can bring transportation in Canada up to the same standard of efficiency?—A. In answering that question let me say in the first place that in the United States they are not shipping for the same distance that we in Canada are. I am safe in saying that over 60 per cent of the fish that is landed at South Pier, Boston, is consumed in the New England states.

Q. How are the Western States supplied with fish?—A. From the Pacific Coast and from the Lake Districts. But there is this difference in the markets there: take a city like Chicago. We are shipping to-day mildly cured fish into Chicago by our refrigerator service, but that fish is all frozen before it is shipped so that it will arrive in the same condition.

Q. Then do you say that the people there prefer the lake fish?—A. I do not. I am not familiar enough with the conditions to speak as to that.

Q. Does the smoked Atlantic fish find a very considerable market in the middle states?—A. No, it is all consumed in the New England States and they do not have to go to the middle states for their business. Within a short radius of Boston there are a million people. They have the volume of business there and they have the turn-over because they have the population. Here we have not yet got the population to furnish the business and we have to educate the present population in this country into eating more fish.

Q. The New England market consumes all the fish that the dealers can supply? That is your contention?—A. I said 60 per cent, but I am safe in saying 75 per cent of the fish that is landed at South Pier, Boston—which I understand next to Grimsby, is the largest centre in the world for fresh fish—is consumed in the New England States.

Q. Do you find that the Pacific Coast fisheries are entering into competition with your trade in Ontario?—A. The shippers there are friends, instead of competitors.

Q. How is it that the facilities for shipping fish from the Pacific coast to Ontario are better than for shipping from the Atlantic to Ontario?—A. The Pacific fish is shipped in carload lots, by express, and the business is confined more. The business in the one case is different to the business in the other. You cannot very well compare the two fisheries because that on the Pacific coast is confined more, while that on the Atlantic coast is handled by more people. There are a hundred fishermen, or a hundred small fish dealers on the Atlantic coast as against one on the Pacific coast and it is a different proposition.

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Q. What kind of fish is usually being shipped from the Pacific?—A. Halibut and salmon.

Q. Do not the fisheries there yield mackerel, codfish and haddock—A. No. They have some codfish.

By Mr. McKenzie:

Q. In regard to the question of transportation, do you think that the fast freight is a practical proposition from the railway standpoint?—A. Yes, I believe it is. I believe that the fast freight will eventually take care of the business that has grown up from the express service. But we cannot do away with the latter. Even with the fast freight service we shall still need the express service; we want both.

Q. Do you think the supply of fish in the Maritime Provinces would not be sufficient to require a train every second or third day?—A. No, not a train, we have not as yet got the consuming population.

Q. The problem from the railway standpoint is how to care for the balance of this trade needing a fast freight service.—A. I would not suggest that the railway companies should make up fish trains at the present time; I would not care to have that go down as a suggestion from me. What I do suggest is, that the refrigerator service in connection with the express service at the present time, study the advantages of fast freight in connection with shipments of fish; and last, but not least, that the effort be made to try and make arrangements with the Express companies—from the east I am talking of—to put one end of the car into such shape that it would be used as a refrigerator and not left open for any ordinary express matter. As I explained before, in the summer time the cars are hot, they arrive in Montreal with no ice in them, and the shipment itself high and dry. In the winter time the cars, owing to the steam pipes with which they are fitted, are so hot that the fish arrives with no ice on it and when it gets to Toronto it is also high and dry. There is the same difficulty in the winter as in the summer.

By Mr. Kyte:

Q. Then they are not refrigerator cars?—A. No. We have no refrigerator service from the east for less than carload lots by express.

Q. Did you ever have such a service?—A. Yes, the government provided it.

By Mr. McKenzie:

Q. To put it in a concise form: the only thing that appears feasible now is that we should get the car on the express trains properly fitted up for the carrying of fish and proceed to carry that fish?—A. That is it. That is a very good suggestion.

Q. Because we have not got a sufficient volume of business to justify us in asking the railways to put on a fast freight.—A. Yes, we have business enough for a fast freight.

By Mr. Wilcox:

Q. When was the refrigerator service, towards which the Government contributed, abandoned?—A. This year. It was in operation last year.

By Mr McKenzie:

Q. Supposing we had three cars of fish ready for a fast daily freight, have you any suggestion as to how we could make up the balance required?—A There is already a service at the present time. If you have three cars of fish for any point of destination along the line, there is a service that will take care of it. The whole trouble arises where you have not got a carload of fish. Where there is a carload of fish for any point of destination, no matter whether it is Quebec, Montreal, Chicago, Boston or any point in Ontario, there is very little trouble.

Q. In that case it would be the ordinary freight transportation?—A. It would depend upon where it was intended for. Give me an instance, mentioning the point of shipment and the point of destination.

ALFRED H. BRITTAIN.

Q. Well, take the case of a merchant at Mulgrave shipping to Montreal.—A. He puts the shipment on the through fast freight, and within 56 hours from the time it leaves its point of origination it reaches its destination.

Q. Is that the best time the fast freight can make?—A. That is a pretty good service. That was in operation until within a few months ago. The Government achieved the reputation of running a fast freight service from the sea-board through to Montreal and connecting points, but since the war has broken out that service has been discarded. The service now is a sham, but in war time we have all got to submit to hardships.

By the Chairman:

Q. There is a fast freight now from Mulgrave, is there not?—A. Mulgrave, Halifax and connecting points.

Q. If we can secure a pedlar car service it might be possible to consolidate shipments in that car and then to open up and allow shipments off at two or three important points along the line. A. West of Montreal it would not be possible to do anything with that service from the point of origination to the point of destination.

Q. But in the Maritime Provinces such a car could be made up?—A. I understand that there is a train which is made up at Truro and goes through to Montreal.

Q. Between Truro and Montreal there are points at which it might be possible to lay down fish. A. The railway Companies claim that it is almost a physical impossibility and they place these shipments on the way freight. But they could, Mr. Chairman, run an open refrigerator car on that way freight to pick up and leave fish at different points. Today if a man wants to ship a thousand pounds of fish to Montreal, and anywhere west of that, he has got to ship it by express or else place it in a baggage car with a lot of hay and straw.

By Mr. Kyte:

Q. Under the most favourable circumstances fish carried from the Atlantic to Montreal suffers some deterioration in the intervening time, does it not?—A. Yes, to some extent.

Q. Is it possible to ship Atlantic fish to Ontario points in such good condition that you might hope to get a market for it in competition with Ontario Lake fish?—A. I will tell you what I am quite willing to do: If the Canadian Government is willing to take the matter up, I am quite willing, in conjunction with the shippers from the Atlantic Coast, to send a carload of fresh fish to Winnipeg and show that it will bring good returns.

By Mr. Turgeon:

Q. On the Intercolonial Railway there are two fast trains the Ocean Limited and the Maritime Express, to which refrigerator cars could be attached and supplied from different points in northern New Brunswick?—A. Yes, sir.

Q. These trains give a pretty fast service?—A. The Maritime Express gives a fast enough service, it would not be fair to ask them to put on the Ocean Limited. The Maritime Express is just about right, summer and winter, and such a service would be splendid.

By Mr. Kyte:

Q. You say there is but a very small quantity of Atlantic fish sent as far west as Chicago?—A. Outside of mildly cured fish.

Q. Of course that is a different thing.—A. No, it is pretty much the same thing Mildly cured fish is perishable, but it is shipped in a different way, it is frozen first.

Q. Is it not exactly the same fish as fresh fish?—A. Well, it is frozen fish or fresh fish, I put them in the same class all the time. When I refer to haddock just out of the water as fresh fish, I also refer to frozen haddock as fresh fish; they are in the same class. I will guarantee that at the present time 90 per cent of the fish sold in Canada is either frozen before it leaves the point of shipment or before

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it gets to the point of destination. It is better to freeze the fish before it leaves. Take a fresh mackerel just out of the water, freeze it, ship it by refrigerator car to your home in Montreal, then place it in cold water and cook it, and I will guarantee to you a better tasting fish than one shipped by express to Montreal and cooked in the same way.

Q. But they are not in as good condition as when they are just taken out of the water?—A. No.

Q. Is it not possible that we are endeavouring to do too much in trying to distribute fresh Atlantic fish in good condition to points farther west than Ontario centres?—A. I cannot see that at all. I cannot see why the fisherman is not entitled to get everything that is coming to him because, as I said before, he is our bread and butter, and the fisherman can get more money for fresh fish than for salted or cured fish.

Q. Then there is no doubt but that it is possible to deliver fresh fish to these western points in such good condition that it will command a market?—A. Yes, sir, it is.

Q. Perhaps the fish dealers are endeavouring to do too much in endeavouring to distribute our fresh fish at these distant points in competition with the native varieties. —A. We have been endeavouring to put fish on the map of Canada and we have succeeded to a very great extent. During the last six months the fish business in this country has been in a better condition than it ever was before in its entire history. I feel that way about it, and it is confirmed by what my friend Mr. James said to me to-day. He stated that he had seen better results from the fish business within the last two or three years than ever before.

By Mr. McKenzie:

Q. Have you anything to suggest to the eastern shippers about the packing of fish? Do you suggest any improvement in the method of packing?—A. Well, there are so many varieties of fish and so many ways in which the fish are shipped, perhaps if you will confine your question to one special line I might be able to answer it.

Q. Take codfish, fresh codfish, can you suggest any improvement in the method of packing?—A. I think the method of packing at the present time is very satisfactory. I do not say it is absolutely perfect, because methods are improving all the time; but I believe the method of packing fresh haddock and fresh codfish for inland points is very satisfactory. Some of the larger firms have adopted more modern methods, and the smaller firms are picking up ideas from them which are beneficial. We have the Canadian Fisheries' Association which is also engaged in the work of improving methods of packing and shipping fish. Our association not only covers the dealers but the fishermen. We have a fee of one dollar, any one who chooses to pay the fee can become a member, and we are looking for a big membership.

By Mr. McCurdy:

Q. Which section of the trade has been making the greatest effort to popularize the fish supply, the wholesalers, the fishermen, the retailers or the transportation companies?—A. The producer and the wholesaler each combined together.

Q. That is the fisherman and the wholesaler?—A. Yes.

Q. Would you care to say what the result of their efforts has been? Has it been profitable?—A. No, it has not been anything too profitable, but we are looking for better times.

By Mr. Kyte:

Q. Would you tell the committee the prices that are charged the consumer in Montreal for haddock, codfish, mackerel, fresh fish, during the last season, for instance?—A. I have not those figures with me, but Mr. James, who is here, told me that he has a schedule which he will give you.

ALFRED H. BRITTAIN.

Q. That is in reference to Atlantic fish?—A. All kinds of fish.

THE CHAIRMAN: If the Committee has no more questions to ask Mr. Brittain I think it would be advisable now to have a very brief statement from Mr. Found in reference to the service which the department has provided for the distribution of fish from the Atlantic coast during the past two years.

Witness discharged.

Mr. W. A. FOUND, Superintendent of Fisheries: The service was started in 1913. It was under guarantee from the Department that the earnings of the car would be at least those on 10,000 pounds. We got the express and the railway companies together to agree to reduce the minimum from 20,000 to 10,000 pounds. That, of course, did not relieve the Department from paying one third of the express charges on shipments in this car. During the year 1913, I am sorry I have not the record here, the results looked pretty good. There were only four or five days, (I am speaking from memory and subject to correction) on which the minimum of 10,000 pounds was not being carried. But in 1914, for reasons which I will not attempt to go into at the present time, the shipments were not equal to those of 1913. A reference to page 15, in Roman Numerals, of the report of 1914-15, will show the details of that service. There were 34 trips made during that season, and of these 34 trips, 18 had less than 10,000 pounds, running one as low as 2,700 pounds on the trip up to about 6,000, or a little more, not nearly up to, but very seriously under the 10,000 pounds which made the service an extremely expensive one. It will be easily seen that it was not doing what was expected of it. The railway company was very anxious to discontinue it and after consideration of the whole matter in connection with the transportation companies and the fish dealers, it was agreed with the railway and express companies that there would be an extension of the fast freight service from Mulgrave and Halifax from one day to three days a week, and that has been in operation during the whole of the present year.

By Mr. McCurdy:

Q. Can you give us the financial result of the operation of the service for 1914 and for 1915? You said that it was unsatisfactory and you stated that on a certain number of days it was less than the 10,000 pounds. Can you give us the results on the whole year?—A. In 1915 it was not in operation. It was in the calendar year of 1914 that there were 18 trips out of 34 in which the shipments did not come up to the 10,000 pounds that I have stated.

Mr. MCCURDY: The fish business was very much disorganized in that year and probably that was the reason.

Mr. F. T. JAMES called, sworn, and examined.

By the Chairman:

Q. You reside in Toronto, do you not?—A. Yes.

Q. With what firm are you associated?—A. With the F. T. James Company.

Q. Are you president of that company?—A. I am president.

Q. I have asked Mr. Brittain a number of questions which I have prepared, some of which he answered and with regard to the others he said you would be prepared to deal with them. I would just ask you the same questions and you can answer them as briefly as you like until you reach those which have been deferred to be answered by you. What is the shrinkage in the weight of fish between the time of purchase from the fishermen and delivery to the retailer say, in Toronto?—A. The shrinkage is probably about five per cent from the time the fishermen puts the fish on the deck up to the time it is shipped, and anywhere from six to ten per cent shrinkage in the shipping weight on arrival in Toronto.

Q. Is there a further shrinkage before selling to the retailer?—A. Yes, there will probably be another four or five per cent I should judge.

F. T. JAMES.

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Q. What would be the shrinkage after it reaches the retailer?—A. The shrinkage of weight?

Q. Yes, there is, I suppose a deterioration in the fish in these retail stores because the latter are not properly equipped?—A. Yes.

Q. And there is a further loss from fish which become unsuitable for consumption?—A. From the loss in cutting and from the loss of fish which the retailers are unable to sell.

Q. What percentage would that be?—A. It would be rather hard to estimate what that is.

Q. It would depend in some measure on their facilities for preserving the fish, I suppose?—A. Yes, there is undoubtedly a loss.

Q. With proper facilities in their retail stores, say something in the nature of a "silent salesman" with refrigeration, could not that deterioration be prevented?—A. To a great extent, yes.

Q. What are the expenses incurred by the wholesaler between the purchase, we will say, from the shipper, or the fisherman, and delivery to the consignee?—A. You mean from the fishermen to ourselves?

Q. Yes, practically?—A. Including the transportation shortage?

Q. Yes?—A. You mean the cost of our handling them?

Q. The cost of delivery, what expenses are incurred in handling—I do not ask particulars of the expenses, the individual expenses?—A. We put it this way: "Transportation" which is between the shipping point and ourselves, 12½ per cent has been our average cost of handling and distributing.

Q. That is 12½ per cent on your total turnover?—A. Yes.

Q. Is the delivery of the fish undertaken by the Transportation Companies?—A. Delivered by the express companies free; by the freight companies, it is delivered by their cartage agents. Of course the cartage agents charge for the cartage.

Q. Do they deliver promptly on the arrival of trains?—A. By express they do, but the freight is not so promptly delivered.

Q. Could they correct that?—A. I think so, yes.

Q. What do you think of the "Pedlar car" system? Would a service of that sort be beneficial in reducing the rates?—A. It might be, as far as the Atlantic fish is concerned, anyway, in the Ontario market.

Q. There is a great deal of difference between the rates for carload lots and less than carload lots?—A. Yes. The retailers probably handle as much Atlantic fish as we do. The bulk of the Ontario retailers buy direct from the fishermen.

Q. Would it not be possible to consolidate these shipments for individual retailers in a car of that sort, and let them take their goods out, some at Quebec, some at Montreal, and some at Toronto. In that way would there not be a large saving in the cost of transportation as compared with the rates charged on less than carload lots?—A. Yes.

Mr. BRITTAIN: There are no carload lot rates at all from the east, Mr. Chairman.

Q. Is there no carload lot rate?—A. Not by express, there is by freight.

Q. Would the saving be worth while? Would there be such a difference that it would justify the transportation companies or the dealers getting together and shipping a good deal of their fish supply in that way?—A. I think the biggest benefit would be that the fish would arrive in better shape; the saving in rates would not be very big.

Q. But the fish would be delivered to the consumer in a more prime condition?—A. Yes.

Q. Would shipments packed in ice and forwarded in express cars, in your opinion, reach their destination in good condition?—A. Not if they come any long distance.

Q. Say coming from Nova Scotia?—A. No, they do not arrive in very good condition. The ice is generally all off the fish by the time they get there.

Q. What remedy would you suggest to avoid that state of affairs?—A. That is a pretty difficult question to answer.

Q. Would it be possible to have a subdivision in the express cars, with refrigerators as Mr. Brittain suggests?—A. I would think so.

Q. Do you believe it would be a reasonable thing to ask the express companies to provide that accommodation?—A. I think it would be, until such times as the business is big enough to fill a whole car. The idea is that it would help to increase the sale of fish by having it arrive in better condition.

Q. How do the shipments coming by refrigerator fast freight compare with those arriving by express car?—A. From the Atlantic Coast?

Q. Yes?—A. I have only seen one shipment that came by fast freight, and we found in Toronto that the fish which arrived at the Exhibition by fast freight was in better condition than any we ever saw before.

Q. It was in better condition than any that came by express?—A. Yes, it was some fish shipped by the Maritime people for the Exhibition, and we had a consignment of fish included in the same car.

Q. Was it a freight car?—A. Yes.

By Mr. Stewart (Lunenburg):

Q. What length of time was it in transit, do you know?—A. I just forget whether it was express or freight, but it was a refrigerator car.

Mr. BRITTAIN: It was an express refrigerator car.

WITNESS: An express refrigerator car, and there was all the difference in the world between the fish that came in that car and the fish that came in an ordinary express car.

By the Chairman:

Q. There is quite a difference in the cost of laying fish down in Toronto when shipped by express as compared with freight?—A. Yes.

Q. Is there any difference in the price which the trade would charge to the retailer?—A. Yes, we get a lot of our fish by freight in the winter time and we generally base our selling price on the cost laid down to us.

Q. What have you to suggest, very briefly, by which to reduce the cost of fish to the consumer, or to secure its being delivered in prime condition—I am speaking now of Atlantic fresh and mild cured fish?—A. Well, I think that a fast freight service would be good. I think it would be some time before Toronto is able to use a carload of Atlantic fish at a time. We have an abundance of lake fish there, and we also get quantities of western fish, halibut and salmon.

Q. With a refrigerator pedlar car service, supposing we had one, could you not load your cars at two or three points in the Maritime Provinces, run your car through to Montreal, put a part of the load off there, and a part at Toronto, run the train right through and have your fish laid down in good condition?—A. That would be a good idea.

Q. Do you think it would be feasible?—A. I do not think so, that is looking at the fact that there would not be a demand at the start for a full carload of 25,000 pounds, that is west of Montreal.

Q. But if you got a full carload you would not object paying for the carload rate, would you?—A. What I mean is this, I do not know whether there would be sale for a full carload of that kind of fish in Toronto.

Q. But you would be distributing your load at different points along the route, some at Quebec, some at Montreal, and, perhaps, some at Ottawa; I do not know what route it would take?—A. That would be all right.

Q. In other words if there were harmony in working out this proposition between the different dealers in Canadian cities, and the shippers, the shipment could be so

consolidated and distributed that we could reduce the cost of distribution to a minimum?—A. Yes.

Q. At the present time the distribution of fish is only haphazard, there has been no organization in that respect, has there?—A. No, not very much.

Q. Tending to save rates; and at times there will be a local rate on top of a through rate, and sometimes two local rates?—A. Yes.

Q. Through how many hands does the fish pass between the shipper at the seaboard and the man who finally delivers it to the consumer?—A. The wholesaler and the retailer.

Q. The jobber?—A. No jobbers.

Q. The retailers?—A. There might be an odd jobber here and there, but his price is always controlled by the price the wholesaler sells at.

By Mr. Stewart (Lunenburg):

Q. Is there much call for Atlantic fresh fish in Toronto?—A. It is on the increase. There is not a very great call for it at the present time. We have abundance of lake fish there.

Q. Do the traders seek to push the sale at all?—A. Yes, it is being pushed fairly good. Of course, there is one point not in its favour. that the fish do not land there in good shape. The lake fish is only a few hours out of the water when delivered there.

Q. Say it could be landed in as good shape as the carload that went up to the exhibition?—A. There would be a lot more of it sold undoubtedly.

Q. How did it compare in popular taste with the lake fish?—A. I do not suppose it would ever take the place of the lake fish, but there is a large old country population that knows what sea fish is, and if they can get good sea fish, they would prefer it. The Ontario people are used to lake fish; it is hard to switch them on to cod and haddock.

By Mr. McCurdy:

Q. What would be the effect of the introduction of the pedlar car system?—A. What we really want there, if we could have it, is a fast freight from Owen Sound to Toronto. That is only a short distance. Take ourselves and other dealers in Toronto: most of the fish arrives in Owen Sound on the same day in the same boats. One would think it could reach Toronto by fast freight the next day. But it does not. It is generally the second day before we get possession of it, when shipped by freight, and the rate from Owen Sound is 60 cents—no, 50 cents with 25 per cent added to the weight of the fish, makes it 62 cents express rate. The freight rate in carload lots is 21 cents.

Q. A hundredweight?—A. Yes.

By the Chairman:

Q. Do you consider that the rates charged by transportation companies on fish are fair?—A. In some cases; and in other cases I think they are not exactly fair.

Q. They are excessive in some cases?—A. In some cases, yes.

By Mr. Stewart (Lunenburg):

Q. Would there be any way of getting rid of the wholesale handler of fish and putting the retail merchant in close touch with the producer by allowing the transportation company to act as a distributor?—A. That is a hard question. I am a wholesaler myself. If you had not any wholesaler there, you must have a distributor.

Q. Could the railway companies not distribute?—A. No, for this reason. We have 300 or 400 people in the winter handling fish, in fifteen, twenty or twenty-five pound lots of one kind and another kind.

Q. Do you think that would not be practicable?—A. It would be impossible. Take a carload of fish coming in from the coast. There are orders for fifteen pounds of a certain fish for one party. These fish are packed in boxes of five hundred pounds.

Who is going to do the weighing up, look after the shrinkage and the delivery? Besides the retailers do not want it all at the same time; they want it in the morning and sometimes in the afternoon.

Q. There will be the transportation company, the wholesale dealer, the retailer and the consumer?—A. There has to be the fisherman in the first place, then the wholesaler or distributor which ever you like to call it. The transportation company would never be able to distribute to the retailer, except to the very large retailers.

By the Chairman:

Q. You have a memorandum respecting prices, Mr. James, have you?—A. Yes, sir.

Q. Would you just put it on the record?—A. The nature of this is to show the prices of thirteen different kinds of fish charged by the wholesaler in Toronto to the retailer, striking an average since the year 1910. I may say that these are taken from our printed quotations which we have on file.

Prices per pound of different varieties of fish—taken from printed lists of The F. T. James Co., Limited, of Toronto.

Kind.	1916.	1915.	1914.	1913.	1911.	1910.
Trout	10	10	11	10	10	9½
Whitefish	9	8½	10	11	10	9
Halibut	9	99	9	10	9	8½
Finnan Haddie	9	8	9	7½	8	7½
Lake Herrings	3	3½	3¾	3¾	3¾	4
Silver Salmon	11	9½	11	10½	11	13
Haddock	5½	6	5	5	5½	6
Cod	6	6½	6½	6	6½	6½
Smelts	12	11	11	10	11	9
Fall or Pink Salmon	8	7½	8	8	8	8½
Goldeyes	5	5	5	5	6	5
Tullibees	6	5½	6	6	6½	6½
Flounders	5	5	5	5	5	5
Total 13 kinds	98½	95	100	97½	100	98
Average approximate	7 6/10	7 3/10	7 7/10	7 5/10	7 7/10	7 5/10

Q. Have you any further statement you would like to make, Mr. James?—A. There is one thing I would like to draw the attention of the committee to. At one time there was a tea train or silk train that ran from Vancouver to the East. We used to have cars of fish put on that train until about three years ago, which were delivered at freight rates. They suddenly stopped that, and we were notified that all fish on tea and silk trains would be charged express rates.

Committee adjourned.

F. T. JAMES.

APPENDIX No. 3

HOUSE OF COMMONS,
Room 301,
AFTERNOON SITTING,
February 21, 1916.

The Committee met at 3.30 p.m., the Chairman, Mr. Jameson, presiding.
The examination of Mr. James resumed.

By the Chairman:

Q. What further statements do you wish to make?—A. Taking the transportation of fish to Vancouver or Prince Rupert, the carload lot express rate is $3 per hundred pounds, and the freight rate is $1.50. The Canadian Pacific railway has a tea train and a silk train, each of which makes the same time as a passenger train. Formerly they used to carry fish on the silk and tea trains. One day the representative of the Great Northern railway came to me and asked: "How is it we do not get any fish shipments from you by our line? We make as good time as the Canadian Pacific railway." I said: "By your trains a shipment takes ten, twelve, or fourteen days, whereas on the silk and tea trains we get shipments through in five or six days." The following day I received notice from the Canadian Pacific railway that hereafter no fish would be carried on the silk train or tea train unless express rates were charged. Now, it seems to me that when we have from Vancouver and Prince Rupert a possible fish shipment not merely of one car, but of eight or ten cars, or 24,000 pounds each car, that if the railway company can run a special train of silk they ought to be able to do it in the case of an important commodity like fish.

Q. Has this point been brought before the Railway Commission?—A. I am not aware that it has. Each week there are three cars of fresh halibut from British Columbia brought into the city of Toronto, and the same number for Montreal, making six cars. I have known as many as seven or eight cars of fresh halibut arrive in Toronto by express, of which number probably two cars went to Buffalo, three to Montreal, and the contents of the remaining three were distributed in Toronto, the express charges on which would be $600 a car, or $4,800 for that trainload.

By Mr. Marcil (Bonaventure):

Q. Could these cars be attached to passenger trains?—A. Yes. They put on two or three cars behind the express or baggage cars.

Q. You do not know what is done in the case of the Intercolonial railway?—A. No. I could not say. As far as regards the Pacific Coast, I know that the silk train leaves Vancouver once every eight days, or after the arrival of any one of the Empress steamers. I repeat that I do not see any reason why a transcontinental fish train could not be put on as well as a silk train. Surely to goodness fish is just as important to get across the continent promptly as silk.

By the Chairman:

Q. What business is there available?—A. In the course of a week I would say from 15 to 20 carloads from the West.

Q. Then your opinion is that the fishing industry is not receiving fair play at the hands of the transportation companies?—A. No, not in that regard.

By Mr. Marcil (Bonaventure):

Q. Perhaps you could give us some information as to whether there is more fish from British Columbia consumed in Montreal than fish from the Maritime Provinces?—A. I do not know about Montreal, but there is more fish from the Pacific consumed in Toronto than there is from the Atlantic. As to the consumption in Montreal, Mr. Byrne would be able to tell you more about that than I can.

F. T. JAMES.

Q. What about canned salmon?—A. There is not such a catch of Atlantic salmon to can as there is of Pacific Coast salmon.

Q. Practically no fresh fish at all comes from the Quebec fisheries, the Baie de Chaleur and the St. Lawrence—but there is some from Nova Scotia and New Brunswick?—A. In Toronto we do not deal much in eastern salmon, the western salmon is more popular. However, Mr. Byrne will be able to give you fuller information on that point.

By Mr. Sinclair:

Q. Why don't you use eastern salmon there?—A. There are one or two reasons why we do not: Eastern salmon does not stand up quite so well as the Western salmon. Furthermore, Western salmon is much cheaper and it seems to suit our market better.

By Mr. Marcil (Bonaventure):

Q. Gaspé salmon commands a higher price, does it not?—A Yes, it commands a higher price than Pacific Coast salmon.

By Mr. Sinclair:

Q. Is the Pacific Coast salmon as good as the Eastern salmon?—A. Not all kinds of it. What they call the Red Spring salmon I would say is very nearly as good as the Gaspé salmon.

Q. What about the Atlantic salmon, how does it compare with the Gaspé salmon?—A. It is the same as the Gaspé salmon I guess. It is just a matter of opinion as between the Red Spring and the Eastern salmon. Cohoe or Silverside, which sells in the West is not nearly as good.

Q. Is there much difference in the wholesale price?—A. Yes. We are selling to-day Western salmon at 11 cents per pound, headless and dressed.

Q. What can you afford to sell Eastern salmon for?—A. I have not bought any Eastern salmon this season. I do not know what price it is being sold at.

Q. Do you think the cheaper price is the reason for the larger consumption of Western salmon?—A. I think the price has more to do with it than anything else. Another thing is, we are able to get Western salmon in the summer time included in our carload shipments of halibut in our refrigerator cars.

Q. Do you handle any of the Eastern fish, such as cod and haddock?—A. We sell a limited amount of them in Ontario, but not very much. You see we have an abundant supply of lake fish there.

Q. Do you get any cod or haddock from the West?—A. No, just the halibut and the salmon.

Q. Have you increased your sales of fresh cod and haddock?—A. We have increased the sales this last year, but not to the volume we would like to see them increased to.

Q. Did the advertising at the Toronto Exhibition do anything to help that increase?—A. It did, no doubt, and considerably too.

Q. Then you think it was a good thing?—A. I am sure of it, especially through the medium of the restaurant. Last year a large number of people sampled the fish served there, and among them were many who never tasted fish before, or so I would judge from the remarks I heard passed. I have noticed quite an increase in the sale of fish since the Toronto Fair Association took the exhibit up. I certainly think the fish demonstration had a lot to do with the increased sale.

By the Chairman:

Q. Do you think that a kitchen demonstration of varieties of fish from the sea-coast, showing the culinary possibilities and the appetizing results, in the important centres of Canada, would have a good effect in enhancing the demand for fish?—A. I think it would be one of the best things the Government could do. If they took a dining car and displayed cooked fish in appetizing forms in all the fair-sized towns,

and advertised it a little ahead, it would be a good demonstration of the possibilities of the fish industry and the value of fish as an article of food.

Q. Do you think there would be a sufficiently increased demand for fish to justify the expense that would be incurred?—A. I think it would be the best thing that could be done. It seems to me that one of the best means to increase the market for fish is to educate people how to cook it and use it at least once a week. The trouble at present is that the demand is not up to the quantity produced. I do not think it is so much a matter of price, as it is of educating people to the use of fish as a food.

Q. Do you think that conditions in the retail stores could be improved by having proper refrigerators and a proper display of fish, I mean such safe-guards as would protect the fish against deterioration?—A. Yes, unless it became too expensive a proposition for them. I do not know whether, in the case of the smaller retailers, it would pay them to put in ammonia plants, but they might have really good display cases that could be cooled by ice.

Q. Would you think it would be wise for the Department of Marine and Fisheries to open up a model fish market in the different important centres in Canada for the purpose of making a demonstration in the hope that the more progressive fish retailers would afterwards properly equip their own premises?—A. I do not know that would be as much good as the demonstration kitchens would be.

Q. I do not mean that the model fish market should try to take the place of the demonstration kitchen, but there are many of us coming from the coast who would not care to eat fish after it has been displayed in the windows of a shop for 24 hours, because it has not been protected against deterioration. Now, if there were glass cases for fish displays, with proper refrigerator equipment, so that the fish could be displayed and at the same time protected against deterioration, would it not be a benefit to the retailer who would not be exposed to loss in the way of deterioration and to the consumer, who would get better fish?—A. It would give the consumer better fish and the retailer would stand less chance of losing his stock.

Q. Would it not justify the cost because of the saving which such a plan would effect?—A. Do you mean the cost to the Government?

Q. If the retailer did a fair amount of business would he not be justified in putting in one of these small refrigeration cases?—A. If his retail business warranted it. I mean to say that if he were what we call a big retailer he would be warranted in doing that, but smaller retailers would not be warranted in going to that expense.

Q. Do you mean the business would get into the hands of those who would properly equip their premises?—A. Yes.

Q. Do you think it would be advisable for the Government to adopt one of these up-to-date or model fish markets?—A. No, I do not think it would. I think if you continue the demonstration at the Exhibition it gives people from all over the country, store-keepers and others, a chance to see how fish can be handled.

Q. You come from Toronto, do you not?—A. Yes.

Q. But there are other populous centres where they do not have the advantage of the Toronto Exhibition?—A. Yes, but a lot of people come to Toronto for the Exhibition.

Q. Then you think the demonstration has been a success there?—A. Yes, I am sure it has been.

Q. And equally it would be a success elsewhere, I suppose?—A. Yes.

By Mr. Copp:

Q. Do you import fish?—A. Yes.

Q. What do you pay per pound?—A. Do you mean the transportation charges from the Maritime provinces.

Q. Yes?—A. $1.75 per hundred pounds.

Q. Do you buy at the sea coast from the fishermen or from the dealer?—A. From fishermen and dealers.

F. T. JAMES.

Q. What do you pay for salmon down there?—A. We do not buy any salmon on the Atlantic coast.

Q. Well, mackerel?—A. We pay 6 cents a pound, that is the present price.

Q. Then you sell to the retail merchant in Toronto?—A. Yes.

Q. What do you charge him?—A. We charge him 8 cents.

Q. You pay the transportation charges and charge the retail merchant 8 cents?—A. Yes.

Q. Do you know what the retail merchant gets from the consumer?—A. He probably gets from 12 to 15 cents.

Mr. COPP: Well, the consumer there has an advantage over the consumer in the Maritime Provinces, who has to pay from 20 to 25 cents.

Mr. BRITTAIN: Well, if a man bought 50 mackerel and shipped them from the coast, the cost of packing those mackerel in a barrel in ice would almost eat up all the profit.

By Mr. Copp:

Q. Then I understand the consumer in Toronto gets his mackerel for from 12 to 15 cents a pound?—A. Yes.

By the Chairman:

Q. The price would depend on the seasons, I suppose?—A. To some extent it would depend on the seasons, but I would judge it to be a fair average price.

By Mr. Copp:

Q. What about the price of halibut?—A. We sell halibut to-day to the wholesalers at 9 cents and it is sold to the retailers at 14 and 15 cents.

By the Chairman:

Q. Do you mean Pacific coast halibut?—A. Yes, Pacific coast halibut.

By Mr. Copp:

Q. What would the price be for salmon?—A. Pacific coast salmon, headless and dressed, would cost the wholesaler 11 cents. The retailer sells that to the consumer at 16 and 17 cents.

Q. That is the price for cuts?—A. The consumer is charged 17 cents for slices, and for boiling pieces 16 cents.

Q. That is British Columbia salmon?—A. Yes.

Q. You do not handle any of the Atlantic salmon at all?—A. No, sir.

By Mr. Sinclair:

Q. Could you give us the average market price in Toronto?—A. I have already handed in a statement giving the average price.

Q. For the whole of the year?—A. The wholesalers' average price, going back 6 years.

Q. Could we not get the retailers' price too?—A. As to that I am not so well posted, but I might make a rough guess at it.

Q. That is one of the matters we are investigating?—A. Then you ought to have some of the retailers before you.

Q. We want to find out why the price is so much higher to the consumer than the producer receives?—A. It does seem rather startling at first.

Q. For example, down on our coast the fisherman gets $1.50 for 100 pounds of haddock, and he discovers that in Toronto it is selling for 10 or 11 cents. Now, he knows that the cost of sending 100 pounds of haddock to Toronto is $1.75 and he enquires therefore: "Where is the rest of this money going?"—A. In the first place he receives $1.50 over the side of the boat for his fish.

Q. Yes?—A. That fish has to be placed in ice, and there is the cost of packing it and the cost of boxes and ice to put it in. Transportation charges have to be added to

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that. Then there is a shrinkage of 20 per cent in weight, and when it gets to Toronto, the wholesaler has the expense of handling and distributing it again, of delivering it to all parts of the city to the retail trade. The retailer also has some shrinkage to put up with, probably 5 per cent, and he loses some fish which he is not able to sell. The expenses are very high to-day, the delivery service is very expensive. People do not carry their fish home and that involves additional expense on the retailer, increasing the price of the fish. The retailer has to have a plant, and, as a wholesaler, speaking from what I know, I cannot say that many of the retailers are making much money in the fish business to-day—I can guess that by the way they are paying their bills.

Q. You think the fish dealer is not getting rich?—A. No, or the wholesaler either.

By Mr. McCurdy:

Q. How much fish do you sell—in what quantities?—A. Anywhere from ten pounds to a carload.

Q. Would it be possible for the retail dealer to buy from you in quantities of ten pounds?—A. Yes, the dealer can if he is a storekeeper.

Q. You get a profit of less than a cent a pound?—A. Yes.

Q. You carry the stock and deliver it to the dealer for that, and he gets a profit of five cents a pound?—A. Yes, of course we handle a large volume.

Q. You have a small margin?—A. Yes, we handle it at a small margin, and it is getting more that way all the time, there are so many small deliveries.

By Mr. Hughes (Kings, P.E.I.):

Q. The retailer will have some fish left on his hands, that people will not buy?—A. Yes.

Q. Have you any way of averaging what the loss would be from that source?—A. No, I have not. The small retailer has the greater loss, the bigger retailer loses less in that way but they all have more or less loss.

By Mr. McCurdy:

Q. The price paid to fishermen for the fish fluctuates at different periods of the year, does it not? Mr. Sinclair suggested that the fishermen were only paid a dollar and a half per hundredweight; that price does not rule all the year, does it?—A. I should say that is about the lowest price paid for it.

Mr. SINCLAIR: I think last year it was higher than that, but for many years $1.50 per hundredweight was paid at Canso. However, last year the price went up.

The CHAIRMAN: They were paying over 5 cents over the boat at Digby for fish; but that is abnormal and due to the war.

Mr. BRITTAIN: They were paid as high as 5¼ cents at Canso within the last thirty days.

By Mr. Sinclair:

Q. Have you any experience in the salt fish business?—A. A little in herring.

Q. Do you sell any Scotch herring?—A. No, not very many.

Q. Is there no demand for them?—A. There is not much demand for them in Toronto outside the Jewish trade.

Q. There is quite a demand for them on the Atlantic coast?—A. I understand that.

Q. It revived some years ago, and it is reviving again apparently from some cause this year?—A. That is because there are no Scotch or Norway herring coming over on account of the war. The United States uses large quantities of that fish for the Jewish and the Polack population.

Q. Have you a very large foreign population to supply in Toronto?—A. No.

Q. What is a barrel of that fish worth in Toronto?—A. $12 to $14 per barrel, wholesale price. That is for the real imported Scotch herring, the pickled Scotch herring.

Q. Do you handle the Nova Scotia herring?—A. Yes, we handle some of those.

F. T. JAMES.

Q. What do you sell them for, wholesale?—A. At present we sell them in barrel lots at $6.50.

Q. Then the price of the Scotch herring is double?—A. The Scotch is double, yes.

By Mr. Turgeon:

Q. Do you make any difference between Nova Scotia and New Brunswick herring? —A. The Nova Scotia herring is the biggest and best; the New Brunswick herring would not fetch as much as the Nova Scotian, it is smaller, drier and not as fat.

By Mr. Copp:

Q. Do you handle shad?—A. No, we do not handle any shad at all except that we probably bring in a few around Easter time from New York, the Delaware shad. There is no demand for that fish at all.

Witness discharged.

Mr. D. J. BYRNE, President of the Canadian Fisheries' Association (Wholesale), Montreal, called, sworn and examined.

By the Chairman:

Q. You are the manager of Leonard Bros., Montreal?—A. Wholesale fish dealers, yes.

Q. Mr. Byrne, I have some questions which I have asked the previous witnesses and I would like to ask your opinion with reference to them. I would like you to give us your idea as to the shrinkage in the weight of fish between the time of purchase from the fishermen and the time of delivery to the retailer in say, Montreal or Toronto?—A. I think you will get an answer to that question better by taking it at the different stages. The time that elapses between the catch and the delivery has an important bearing on the amount of the shrinkage. We claim that during the first twenty-four hours out of the water any ground fish will show a shrinkage of from 10 to 15 per cent according to the time of the year. The fish in the spring is soft and probably holds more water, the flesh is permeated with water and a lot of it is given off in the first twenty-four hours; I should think about 10 per cent in the first twenty-four hours. There would be a further shrinkage while in transit. If you estimate that it takes in refrigerator fast freight service four days to reach Montreal from the producing point (the shipping point), there would be another shrinkage of from 5 to 7 per cent according to the season of the year. The shrinkage will be greater in the summer on account of the heat, which causes the ice to melt more rapidly, carrying off with it some of the slime, and some of the substance; I should think that this shrinkage would be from about 5 to 7 per cent. This is a pretty wide question—that is to Montreal——

Q. Is there any further shrinkage?—A. Oh, yes, there would be, varying according to the length of time the retailer has this fresh fish in his possession. Indeed to my mind this fresh fish continues to shrink and to lose weight, unless it is frozen right up to the time it reaches the consumer.

An hon. MEMBER: And if it waited long enough it would go altogether?—A. That does happen sometimes, it would walk away.

By the Chairman:

Q. What percentage goes to the bad through deterioration in the retail market? —A. That is not deterioration, it is shrinkage. The moisture in the fish evaporates and I should think it would be sufficient to figure on nearly eight or ten per cent that the retail dealer would lose in the shrinkage in weight; that would vary according to the length of time he carried it. I am not including in that the losses the dealer would be put to through surplus of stock, in not accurately anticipating his wants, but only in shrinkage.

D. J. BYRNE.

Q. That is 10 per cent to 15 per cent, 5 per cent and 8 per cent?—A. From 25 to 35 per cent, yes.

By Mr. Stewart (Lunenburg):

Q. Does that shrinkage take place while the fish is packed in ice?—A. Yes, certainly, but it will be greater in summer because it is packed in ice which melts more rapidly. In cold weather there would not be as rapid melting of the ice.

By Mr. Sinclair:

Q. Is that not common to all fish?—A. Yes, it is more pronounced with regard to ground fish, haddock and cod—I am speaking now of ground fish, which means haddock and cod. There is greater shrinkage on small fish than on large fish; it would be greater on a given weight of small fish than on the same weight of large fish, like halibut.

Q. What shrinkage do you think would take place in halibut averaging from fifty to a hundred pounds?—A. From the time it is taken from the water?

Q. Yes, until it gets to Montreal?—A. Well, the shrinkage, I think, on halibut undoubtedly would not be as large as on haddock and cod. The shrinkage would be about from 5 to 8 per cent from the time it leaves the water, say within a few days until it is shipped; it would lose another three to four per cent while in transit in the four or five days it ordinarily takes to go by fast freight from Eastern Nova Scotia to Montreal.

Q. The shrinkage is less on halibut?—A. Yes, on any large fish which would not have as much surface exposed as in the case of the smaller ground fish, which is also a softer fish.

By the Chairman:

Q. What percentage is the loss to the retailer, do you think, because of lack of proper facilities for protecting it, keeping it cool?—A. I do not know that varies so much; some retailers are so well equipped for handling it and some are not.

Q. Generally speaking, that loss could be reduced by having the retail stores better equipped?—A. In the best stores, what we call up-to-date, there is the equipment for properly handling it and for replenishing their supply more regularly.

By Mr. Sinclair:

Q. Would it be practicable to compel fish dealers to have their stores so designed and equipped that they would be able to keep their fish in good order. You often see a store with fish hanging on a nail in the summer time with a lot of flies on it. Would it be possible to have by-laws or regulations which would make it necessary to have proper equipment for handling perishable products like fish?—A. I am afraid it would be rather presumptuous on my part to attempt to advise legislators what by-law they should pass. In some cities they have regulations which govern the case more or less. In the city of Montreal grocers are not allowed to handle fresh fish. They must have a separate license for handling fresh fish. The butcher's license covers the handling of fresh fish. While the grocers are permitted to sell dried, salted and smoked fish, they are not permitted to sell fresh fish. The butcher, who is equipped with a refrigeration plant, or is supposed to be, is undoubtedly in a better position to handle fresh fish. In order to have a license for handling fresh fish in the city of Montreal the dealer must pay an annual fee of $50.

Q. Is he required to have any particular kind of equipment?—A. No, nothing but the $50.

By the Chairman:

Q. What is the average price at which the different kinds of fish are sold to the retailer? Can you give us any information on that point?—A. Yes, I think so—what particular kinds of fish have you reference to, Mr. Chairman?

D. J. BYRNE.

Q. Take the staple fish—cod, halibut and haddock?—A. I might state that the prices vary to a very large extent, and the variation is very marked; at certain periods of the year when the fish are not what we call "in season," that is not being produced freely, the price is high, while the price is as a general rule low during the season; but at another period of the year that fish might be worth double or treble the ordinary price. Take the case of salmon, for instance. To-day it would probably be worth $1 per pound, whereas perhaps in the middle of the season it would be worth 10 cents a pound. I think the only way is to give you what would be the prevailing prices at the present time.

Q. Would you have any objection to putting this on record?—A. No, these prices are for fresh frozen fish. Fresh frozen haddock—the price at which my firm is selling these fish to-day f.o.b. Montreal is five to five and a half cents a pound. I might say that the range is because some dealers buy in the original packages, that is the original cases of 200, 300 or 400 pounds, according to the methods employed at the point of shipment. The dealers who buy in the original packages generally save a little in the price. The other price is for smaller quantities, by that I mean in quantities of from 25 pounds up. What we mean by quantity—we do not restrict our customers to quantity; we claim we do not sell retail, but we will sell a legitimate dealer any quantity he requires so long as it is for the purpose of reselling. A dealer may buy 100 pounds of haddock, and only want 10 or 20 pounds of salmon; we do not restrict him on the quantity, so long as he is a dealer and he is buying it to sell again. Frozen market cod: the prevailing price—I might say these prices have varied. Two weeks ago they were selling at 4 to 4½—they are now selling at 4½ to 5 cents. A month ago the price was 4 to 4½ cents; but the producing season is practically over now; stocks are getting low, and that is another reason for prices advancing.

By Mr. McKenzie:

Q. Is that what you pay?—A. That is the price at which we sell.

Q. If a man from the Maritime Provinces came with a car of frozen haddock, what would he get for it?—A. He could sell to-day in Montreal a car of frozen haddock, I have no doubt that he could get 4½ cents a pound for it, depending on the quality and condition of the fish. The price would vary between 4¼ and 4½ cents a pound.

Q. You told us the price you sell to the retailer. Will you give us an idea what the ordinary consumer pays for haddock and codfish to-day in Montreal?—A. I could only give you an idea, because I have not any direct connection with the retail trade; I do not do any retail trade, but I do know that the price varies according to the locality.

By Mr. Copp:

Q. And the conscience of the retailer, I suppose?—A. Not exactly. There are some districts where the old methods prevail, and where the housewife goes around with a basket, buys what she requires and takes it home. There are other districts where the telephone is rather de rigueur, and it is customary for the clients of that particular dealer to telephone an order and want it delivered by twelve-thirty or they will lose her trade; and they want it all fixed up, dressed a certain way, with parsley or water cress put around it. All that costs money. They want a delivery service on small parcels of fish that is very expensive. It helps to explain the great range of prices. You say it may seem exorbitant. But a lot of the price goes into service.

Q. The woman with the basket gets it cheaper?—A. Yes. What I mean is: I have noticed myself on several occasions that the same fish sold by my firm to various dealers in different parts of the city will be sold at different prices. The only way I could account for it was the difference in the service.

Q. You did not hazard a guess at the retail price. Can you give us some idea of that?

The CHAIRMAN: We will have Mr. Stanford of Montreal here. He is a retailer and perhaps can give us more definite information on that score than Mr. Byrne.

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The WITNESS: I do not claim to know all about it, but there is this difference too, that while I have been giving you some prices on frozen fish at this particular season of the year, these prices are prices for frozen fish, when it comes by freight. But there is also freshly produced haddock; there is a much higher cost on that and a much higher price prevailing. For instance, we are selling to-day frozen haddock at 5 cents per pound. We also sell for a higher class trade, some of our customers who demand freshly produced haddock, which must be brought in by express, and we have to sell that at 6½ and 7 cents a pound. It is the same fish, but one is fresh and the other is frozen.

By Mr. Sinclair:

Q. Is there much trade in the fresh stock?—A. Yes, in the cities there is; the people who are particular about their fish will prefer fresh to frozen stock. In Canada, with the climatic conditions we have in winter for shipment out of town, it is almost impossible to ship fresh fish, it would freeze in a solid mass. Conditions sometimes occur where the outer part of the case, and the fish on the outer part of the case nearest the wood, would become frozen, and in the centre would become heated.

Q. Fish that is shipped fresh would become frozen in transit?—A. It would if we shipped it out by ordinary freight methods of shipment in this part of Canada at this particular season.

Q. When it comes by express you do not find it frozen on the way?—A. Oh, no. That is why we have shippers at the producing points put it up singly frozen. The dealer who buys it can keep it. There is less shrinkage. It is shipped like cordwood; so long as it is frozen it is in good shape.

Q. Give us the price of fresh; that is the way the trade should expand, the fresh fish trade, is it not? What are the retail prices for fresh?—A. I think I had better not attempt to give retail prices. I do not do any retail trade myself, and since there is a retailer to appear before you he can give you that information. I can only tell you what we charge them. There is considerable difference between the prices actually charged at the present time for frozen haddock and for fresh haddock.

By Mr. Copp:

Q. A difference of about two cents per pound?—A. Fully, at the present time, because of the scarcity of fresh haddock and the additional cost for bringing it in by express; when fish comes in by freight in carload lots, it can be shipped like cord wood.

Mr. BRITTAIN: At the present time the scarcity of fish accounts for the increase in price. Frozen fish has to take care of the demand and supply when there is a shortage.

By the Chairman:

Q. What were the prices prevailing upon this same class of fish during, say, September last?—A. I can hardly give it from memory. The prices of fish are continually changing; there is no set price, and so far as I know there is no combination of dealers to control prices. The prices are made according to the law of supply and demand. Fish is scarce this week due to storms or some conditions which affect the supply. The supply will affect the price.

By Mr. Sinclair:

Q. What is the highest and lowest wholesale price for the month of December?—A. I do not attempt to give you the retail price.

Q. We want to see the difference between the highest and lowest?—A. During the month of December?

Q. Yes?—A. Why not January, it is nearer at hand.

Q. January will do?—A. The range of prices on frozen haddock for the month of January is 4½ to 5 cents. On fresh haddock the range would be 5½ to 7 cents.

D. J. BYRNE.

By Mr. McKenzie:

Q. As a wholesale dealer, have you any means of taking care of a car of fish that would come to you in warm weather and which could not be disposed of at once?—A. Oh, yes.

Q. What do you do?—A. We use cold storage. We have a chemical cold storage plant on our premises where we can store fresh fish at what we call November temperatures, that is to carry the fresh fish in fresh condition without allowing the temperature to get so high as to affect quality in any way. Then we have other rooms to carry frozen stock in a frozen condition. The rooms where we carry fresh fish in fresh condition holding for the market, or while unloading and handling it, would be about 35 to 45 degrees Fahrenheit.

By Mr. Stewart (Lunenburg):

Q. How long will the fish keep in good condition in that November temperature? —A. A week or ten days, depending upon the condition they are in when they reach us.

By Mr. McKenzie:

Q. You remove it from the car?—A. This fresh fish is put away at once, a car coming in on Monday or Tuesday, the dealers do not require it until Wednesday or Thursday; we take it into these rooms where it is kept at that cool temperature. Then we have other rooms. We have what we call sharp freezing rooms, where ammonia coils are set like an old fashioned coil for heating; and we put the fish on wooden board trays, and run it on these coils to convert it into frozen fish.

Q. There should be some accommodation for holding a car of fish; there should be facilities furnished by the railway where the car could be placed and kept without disturbing the fish at all if there was any delay in disposing of it. For instance, you have to take it now, and put it in these rooms; you have to handle the fish to keep it for the number of days that you spoke of. I have always thought it would be well if there was warehouse accommodation or terminal facilities where a car could be kept until disposed of.—A. If we did not handle it the railway company would have to handle it. One of the main features of cold storage is the insulation. The railway company would have to unload that car and put it into cold storage, the same as we do; take the contents out and put them into cold rooms.

Q. That is what I want to know; you say it is impracticable to handle a car in bulk?—A. Absolutely. In hot weather if you had doors large enough to let a whole car run in, with a track, it would take a lot of cold storage to take care of that. Then there is the loss you make insulating your entrance when there is a track on it. One of the principal features of a cold storage plant is the question of insulation. You must insulate and keep out the hot air entirely.

By Mr. Hughes (Kings, P.E.I.):

Q. Make it air proof?—A. Yes, as near as you can come to it.

By Mr. McKenzie:

Q. How do you get into that room?—A. I will explain to you. We have what we call air-locks, that is an elevator runs up to the cold rooms. Opening onto it there is an air-lock or anteroom with cold storage doors. These doors are closed before the doors to the cold storage proper are opened. Otherwise you would lose your cold air, and this cold as it strikes the heat condenses.

Q. That will apply to the place where a car goes in?—A. That would require a tremendous cold storage. We have never asked the railway companies to go half that far.

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By Mr. Hughes (Kings, P.E.I.):

Q. You have given us the price of haddock frozen and fresh for the month of January. Can you give us the price for the same fish say during the months of July and August?—A. I could not from memory.

The CHAIRMAN: I am going to ask Mr. Byrne if he will furnish a detailed statement.

By Mr. Hughes (Kings, P.E.I.):

Q. Would there be a difference in the price at each period?—A. There would be this difference, that during the months of July and August there will be no frozen fish; it will be all fresh. I should venture to say that the range of prices would be lower on the fresh fish. The range would be lower in July and August than the range at the present time, because heavy production has almost ceased. Stormy weather interferes with fishing operations, because our fishermen are dependent on obsolete methods, small boat fishing. Stormy weather may make for a scarcity; it makes it difficult to operate, and so has a tendency to create a high cost. The selling price of haddock and cod at the present time is higher than it was during the months of July and August, 1915. I am safe in making that statement.

Q. About what would the difference be?—A. Oh, probably—I think I said the range on fresh is 5½ to 7 cents.

Q. Five and a half, I think?—A. The range during July and August would be about 4 to 5½. I cannot give it to you exactly.

The CHAIRMAN: I would ask Mr. Byrne if he will be good enough to supply the secretary with information as to the price of fresh and frozen cod, halibut, and haddock, from month to month during the past twelve months.

By Mr. Sinclair:

Q. Have you handled fish caught by steam trawlers?—A. Yes.

Q. It has been stated on the coast that they are not so good as those caught by hook and line. I have seen that statement in examination in connection with trawling in England. What is your experience about that? Are they broken up or bruised in any way by that method of catching?—A. Well, I do not think there is any doubt but that what are called "shore" fish, caught in the small boats which operate close to the shore, caught with a hook and line, are the very best that can be produced, because they are subject to less handling or knocking about, and they are in better condition when landed at the delivering point.

Q. Than the fish caught in large quantities?—A. The fish caught in larger volume, or larger quantities, necessarily cannot get the same careful handling. That is fish caught in the steam trawlers, what they call the otter trawl. It is a net contrivance dragged along the bottom, or close to the bottom, and if that net is dragged for a time, say for an hour, the fish which enter it gradually getting down to the pocket or heel of the trap will be subject to more or less knocking about, either on the bottom or by reason of the other fish coming in against them and pressing them. So the trawler fish, as a rule, are not of such firm flesh, the flesh is more liable to be flabby, and would not grade so high as the boat fish.

Q. Do you buy much from the United States?—A. No.

Q. Then your trade is altogether in Canada?—A. Not altogether. We buy some fish from the United States, but only those kinds that are not to be had in Canada, such as blue-fish, weak-fish, sea bass, butter fish, red snapper, pompano, some varieties that we do not get here but which are produced in the United States. It stands to reason we would not buy any fish in the United States and pay a specific duty of 1 cent per pound, or an ad valorem duty of 25 per cent, and a 7½ per cent war tax, if we could get the same fish in Canada without paying any of these duties. Our business is largely Canadian, but we do have to bring some fish from the United States. The principal kind would be oysters.

D. J. BYRNE.

Q. Do you find our oysters suitable?—A. We cannot get enough of them.

Q. Have you ever got any from Tracadie or Antigonish?—A. We have had oysters from Buctouche and all points of Prince Edward Island, including some oysters that never saw the island.

Q. What do you mean by saying that you cannot get enough Canadian oysters?—A. We cannot get what we call bulk oysters. That is oysters that are opened, not in the shell, and shipped in packages as bulk oysters.

Q. What do you mean by oysters that are opened?—A. The method of shipping oysters in Nova Scotia, New Brunswick and Prince Edward Island, is to ship them in the shell, that is in the natural shape, in barrels. In the United States they cultivate oysters and they have opening plants where they employ a number of men who at certain seasons of the year spend all their time opening oysters and putting them into cans. They are shipped either in sealed cans or in barrels all through the United States for a long distance, even as far as Denver and Kansas city.

Q. Are the oysters as good as when they are shipped in their natural state?—A. No, but the cost of transportation would be so tremendously high then. They have to be shipped by express, and even when shipped by freight the cost of transportation would be tremendous. In the case of bulk oysters the shells are put back again on the beds, making very good foundation for the new set. When the oyster spawn and the set comes, these shells are placed on the beds, so that the set when it drops down, has a good bottom on which to form. If the set of the oyster drops into sand or mud it will be smothered and destroyed. In other places I have visited, the oyster shells are used on the roads, and I think make excellent thoroughfares.

By Mr. Sinclair:

Q. Then if each fisherman were to open his oysters he would have a better chance of selling them at Montreal or some other interior market?—A. Yes, but the bulk oysters would not bring in any such return as would the oysters in the shell.

By Mr. Copp:

Q. As I understand, there is no trouble in selling what oysters you do get, the only difficulty is there is not enough of them?—A. We do not get enough. Sufficient oysters are not produced in Canada, hence we have to import them from the United States.

By the Chairman:

Q. What expenses are incurred by the wholesaler between the purchase from the fisherman and the delivery to the retailer, what are the various items of expense?—A. Transportation and handling charges.

Q. Those are handling charges, we will say, at Montreal?—A. At distributing points, the cost of cartage and delivery service.

Q. And storage?—A. That is part of the handling charges.

By Mr. McCurdy:

Q. Any profit?—A. I would not like to say anything about that.

By the Chairman:

Q. By what means of transportation are the major quantities of fish forwarded to Montreal for other than the Friday markets?—A. I do not know that there is any different method of transportation for the Friday market than for any other day of the week. During the summer months the greater part of the fish is shipped in by express.

Q. Is the fast freight service relied on in any degree for supplying the market there?—A. Only from eastern points. The companies will not give us the fast freight service from the west coast, to which we think the trade is entitled.

Q. That is from the Pacific coast?—A. Yes.

D. J. BYRNE.

APPENDIX No. 3

Q. Are you getting a satisfactory fast freight service for the East?—A. We are and we are not. We have a service which was arranged for by the Department of Naval Service for the shipment of fresh fish in refrigerator cars three days a week, and the length of time in transit would be about three days. That is very satisfactory, as far as it goes; but during the past two or three months, our experience with the Government railway on that particular division is that we cannot depend on anything less than four, five and sometimes six or seven days, and that is not satisfactory. From the very nature of the product we handle we must be able to depend on delivery at a certain time.

Q. There is no other commodity in the car to which you refer but fish?—A. No, nothing but fish.

Q. Do you think that fish has the right of way over any other class of freight?—A. We know that it has not.

Q. Do you think it should have?—A. As a personal opinion, I do.

Q. Looking at it from an economic point of view do you think, in the interests of the consumers of this country, fish should have the right of way over other classes of freight?—A. I think so, and for the reason, if we want a precedent, that this method obtains in Great Britain. There the fish trains carrying fish from the shipper to the consuming markets have the right of way over everything, not excepting mail trains.

Q. There is no good reason in your mind, I suppose, why that should not be worked out here?—A. One reason the railway companies might advance for not working out such a system here, is that the traffic is not sufficiently heavy to warrant it. That is, we must develop the business in order to make it large and profitable, so that there will be competition to secure it. Now, in order to develop the business we must get some assistance from the transportation companies, which I am sorry to say we are not receiving at the present time.

Q. You cannot develop the business unless you are able to give the consumer a good article, and you cannot do that when the journey from Mulgrave to Montreal occupies five or six days—A. We must have a dependable fast freight service. We must also have suitable transportation. I mean of course, properly equipped refrigerator cars which should be supplied with ice at the expense of the carrying company.

By Mr. Sinclair:

Q. How do you account for the fact that the service, as you say, is not as good as it used to be,—what is the reason?—A. During the past summer we had a very good service, I mean that the deliveries were fairly regular. We must be able to depend upon this service if we are to get the results that we look for.

Q. Has there been an improvement in the fast freight service?—A. It is the fast freight that we are speaking of. During the past four months, as I understand it, there has been more or less congestion of trade, due to the fact that the summer shipping ports are closed, and shipments are going through the winter ports only. The effect is that on the I.C.R. traffic is more or less congested, and it has had its influence on the transportation; the cars are not being moved so regularly or rapidly.

Q. It has been stated in the House of Commons frequently that we have a fast freight train from Mulgrave and Halifax, which meets at Truro and proceeds to Montreal three times a week on schedule time?—A. We did have, last summer, but they have not been able to keep up the schedule. During the last three months the deliveries have not been regular.

Q. Why should the service be confined to three days in the week. Is it because there is not enough business?—A. Not sufficient business offering even for three days a week. I think a request was made by the Canadian Fisheries' Association to the officials of the Department of Naval Service last spring, to extend that service to one day a week, every Saturday and also some other days. I think Monday, Wednesday and

Thursday were suggested. The service was put into operation and it was not taken advantage of because the anticipated quantities did not offer.

Q. Then this fast freight train carries other commodities as well as fish?—A. Yes. the fish occupies only a car. You understand the Railway Department placed a refrigerator car at the disposal of shippers of fish for their exclusive use, and arranged to carry fish on certain days each week.

Q. Does a freight train leave Montreal every day for Eastern points?—Leave Mulgrave, you mean?

Q. Is there a fast freight service from Montreal to Mulgrave as well as from Mulgrave to Montreal?—A. I cannot speak definitely as to that. I think there is a daily fast freight service.

Q. I understand there is to be daily service in the Eastern part of Canada, that is a fast freight train leaving every day, which only carries fish three times in the week, but I think we have also a daily fast freight leaving Mulgrave and Halifax, joining at Truro and from thence proceeding to Montreal?—A. The refrigerator car which is placed at the service of the shippers of fish is available three days in the week. Of course you can ship on any day in the week, but on the fast freight service the Naval Branch of the Department arranged to guarantee the minimum earning charged on that car on certain days in the week, making a service which dealers could take advantage of. If they did not have sufficient quantities to make up the minimum carload, the Department took care of it and gave them the facilities to ship their fish under the best possible conditions, that is under refrigerator service, on certain days which they could depend on, no matter what quantity was offering. It was the impression that the Naval Service Branch did improve the service.

Q. And you are asking for more days, you say?—A. No, we are not. The difficulty we found, and one which I think Mr. Found is aware of, is that we could not make use of the service which was given for three days in the week. There was not sufficient demand for the fish to warrant shipping on all these days; we could supply the market without using the service these three days.

Q. What are the best days of the week for selling fish in Montreal?—A. Friday is the retailers day. We sell every day, but the big days for the wholesaler are undoubtedly Wednesday and Thursday.

Q. Those are the days when you have the best freight rates?—A. No, we must have the best freight rates before those days in order to get delivery, put that fresh fish into our coolers and re-pack and take care of it. The fish cannot be taken in exactly the same condition in which it is shipped. It cannot remain in that shape but must be taken and re-packed.

By Mr. Copp:

Q. The fish must be shipped from Mulgrave on Saturday of the week before?—A. Yes.

By Mr. Sinclair:

Q. What is the cost per hundred pounds of fish from Mulgrave to Montreal on the fast freight train?—A. As near as I can judge the freight charges amount to three-fourths of a cent.

Q. Per pound?—A. The railway freight rate is based on the gross rate, and the rate is 38 cents, which does not include the cartage charge at delivery point. The railway companies take the gross weight of a 300 pound case of fresh fish, with the ice and the package containing it, which would weigh about 450 or 500 pounds gross, and we must pay the charges on the gross weight. That is why I say that where the rate might only be from 32 to 48 cents, the actual cost of bringing that fish in is nearly three-fourths of a cent per pound.

Q. Because you have to pay for the package and the ice?—A. Yes.

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By Mr. McCurdy:

Q. Is the package charged for by the people you buy from?—A. No, the packages are free. We do not charge for them either.

Q. In the States are packages charged for?—A. In the United States they charge for the package and we have also to pay a duty and a war tax on it.

By Mr. Stewart (Lunenburg):

Q. Do you handle whitefish?—A. We do.

Q. Do you handle that fish in the same way as you do fish from the Atlantic Coast, in carload lots?—A. No, there is a very limited demand for lake fish, especially whitefish, in Montreal; it is a sea fish market.

Q. There is not so much demand for lake fish as there is for Atlantic fish?—A. No. And Pacific Ocean fish—halibut, salmon and cod.

Q. There is a difference in the tastes in that respect of the people of Montreal?—A. Yes.

By Mr. Copp:

Q. You spoke of some arrangement being made for the Naval Service whereby they made up the difference between what there is in the car and the minimum weight of 20,000 pounds?—A. Not 20,000 pounds. An arrangement was entered into between the Naval Service Branch, and the I.C.R. traffic department, whereby this car would be available for the use of shippers on certain days in the week, so that they could depend if they sent their fish there, by the steamers or any other methods of transportation, to the local shipping points, they could get the refrigerator service that was available, and when the earnings on the quantities shipped would not reach a certain amount, the Naval Service made up that difference in earnings to the Railway Department.

By Mr. Stewart (Lunenburg):

Q. Does all the fresh fish from the Atlantic coast come over the Intercolonial railway?—A. Some of it comes by steamers running up the gulf at certain seasons of the year. Salmon from the lower parts of the gulf of St. Lawrence, the Gaspé coast, and the Bay of Chaleur, comes up by direct steamer to Montreal.

Q. Does any come up by C.P.R.?—A. Yes, take the district from Digby and Yarmouth, any shipments from those producing points would cross the Bay of Fundy to St. John, and be loaded on the express leaving there about 5.30 in the afternoon, which reaches Montreal the next morning at 8.30.

By Mr. McCurdy:

Q. Is there any difference between the rates charged by the different companies?—A. There is harmony between the transportation companies. The rates to competitive points are absolutely the same, but the traffic managers are keen to get the business and to keep, each one, their own share.

By Mr. Sinclair:

Q. You spoke about the delay between the coast and Montreal. Do you find the delay the same on both roads? You mentioned it will in some cases take a train six days to reach Montreal from the coast under the present arrangement?—A. I would not like to give the impression that it took a train six days to get there, but I think the car may have been laid off for some reason or other, too much traffic moving, or sometimes they claim it is a damaged wheel or some trouble that has to be looked after and necessitates the car being cut off. But we have had cars that have been six or seven days in transit before reaching their destination, from Mulgrave to Montreal.

Q. Does that happen frequently?—A. I would not say frequently but several times. The service has not been so good for the past three months as it was before

that. It was very good throughout the summer, the regular dealers could always depend upon it.

Q. How do you find the C.P.R. service from eastern Nova Scotia?—A. They have not enough shipping facilities to take charge of the freight offering. There is congestion of freight at the terminals and it backs up on the line and keeps other freight from moving as freely as it should.

Q. Do they profess to have any fast trains running from St. John to Montreal on the C.P.R.?—A. Oh, yes, they have fast freight.

Q. Every day?—A. Yes.

Q. So that a carload of fish can be brought through any day on the fast freight from St. John to Montreal?—A. Yes, and make better time than from Mulgrave.

Q. Do they get the benefit of the allowance made by the Government on that road?—A. An arrangement was made during the past summer so that shipments could be made from Nova Scotia points and New Brunswick points, like St. John, St. Andrews or St. Stephens that the C.P.R. would provide a service, a refrigerator car to carry fish exclusively; it is not feasible to carry all kinds of goods in the same car.

Q. Was it a daily service?—A. No, I think it was on two or three days in the week. You see, I did not make that arrangement, but I had notice from the Department of Naval Service that the service had been arranged for and that dealers could make use of it. The advantage was that you could not get a railway company ordinarily to carry any shipment of fresh fish you had there in a refrigerator car, unless the quantity was sufficient to warrant them to provide a refrigerator car. But under this arrangement, no matter how small your shipment was you could get accommodation in that refrigerator car with the bunkers properly iced, and be reasonably certain that the fresh fish would arrive at its destination in good condition.

Q. Have you any suggestion to make with regard to the improvement of freight rates on the Intercolonial or in regard to facilities for getting the fish to Montreal?—A. There are a number of improvements which could be made. It is always rather difficult to ask a railway traffic department to provide a lot of facilities when there is not much business offering to warrant them in doing so. That is why I say that if some means can be brought into play by which the business can be developed along larger lines, then we will have a good reason for asking for those facilities. The one will produce the other.

Q. Is Montreal a distributing centre for the surrounding district?—A. Yes.

Q. To any great extent?—A. For a certain radius all the fish comes through Montreal, because it is a point which can handle the fish in sufficient quantities to bring them in in carload lots. Montreal being the terminus of the Intercolonial Railway their trains work on a schedule right into that terminus, and of course it is the centre of everything in that line.

By Mr. Stewart (Lunenburg):

Q. Is there any combination among the dealers in Montreal to keep up the prices?—A. No sir.

Q. I do not suppose so. The wholesaler's profits are not excessive, are they?—A. No, they are not sufficient, because it requires the investment of a considerable amount of capital to properly distribute the fish, and to provide an up to date fish handling plant such as I think our firm has. It also involves the expenditure of a lot of money for cold storage which will not last indefinitely, it is a high grade machinery, which is subject to deterioration, and we are handling a product which is highly perishable with it, and it is possible to have a severe loss in handling it.

Q. How many wholesale establishments in Montreal are engaged exclusively in handling fish?—A. There are two wholesale fish firms handling nothing but fish, claiming to be wholesale fish firms; then there are a number of what we call jobbers—dealers in the markets who have a retail trade and who also do some jobbing, supplying the

small stores; they call themselves wholesalers also and to all intents and purposes possibly they are wholesalers.

By the Chairman:

Q. From whom do they buy?—A. From the producers at the point of production.

Q. They do not buy from your firm?—A. They do to some extent, but they buy mostly at first hand.

Q. What is meant by the term "jobber" in the fish trade?—A. Well, a dealer who buys from the wholesaler and in turn sells the fish to the small stores.

Q. Are there some of them in Montreal?—A. Yes, quite a number of them.

Q. If a shipment is packed in ice and forwarded in freight express cars does it always reach its destination in good condition?—A. Not always.

Q. What happens to impair the qualities of the fish?—A. The trouble might be due to delays in transit, it might be due to lack of care in packing, that is at the initial shipping point, or it might be due to a shortage of ice in transit, the ice supply may not be replenished, or it might be due to the fact that the fish was not in good condition when originally purchased at the shipping point. The shipper will always claim it was in first class shape when it was shipped and that it has been damaged in transit. The transportation companies always claim that the fish is handled in the best possible way and that it could not possibly have been in good condition when shipped. Between them the wholesaler has to pay the loss.

Q. Would not the difficulty be avoided by the use of modern express cars for the fish?—A. No, there is no such thing as a modern express fish car.

Q. What would you suggest as a proper car for the carriage of fish?—A. It should be built as a refrigerator car having the necessary bunkers to carry the ice so that the temperature can be kept at either 45 or 50 degrees F., and that temperature should be maintained, or a lower temperature, throughout the journey. At the present time the express companies simply put fresh fish in the car along with dry goods or anything else. In the summer months it is exposed to all the heat because the doors of the car are continually being opened, and in the winter time it is placed alongside the heater which they place in the car in order to keep the other articles they are carrying warm.

Q. Could not the ordinary express car be so arranged as to have one end of it refrigerated and the other end warm for other articles?—A. That experiment was tried out a number of years ago by the Dominion Express operating between St. John and Montreal, and the experiment, as far as I know, was fairly successful but it is not sufficient.

Q. Does the present business warrant the expenditure necessary to provide the proper facilities?—A. Yes, the companies are getting a large amount of business, they are getting too much out of the business for the facilities they provide. They make no attempt to assist in any way in the development of the business, they simply go ahead and get large earnings out of the fish industry, and I venture to say that it is the transportation companies that are making all the money out of the fish trade; it is not the fishermen and it is not the wholesalers. The consumers are paying too much for their fish and I have not seen any dealers or fishermen who are getting rich. It is the transportation companies that are getting it all.

By Mr. McCurdy:

Q. Have you any idea of the amount that the express companies receive for the hauling of that fish from the Atlantic Coast to Montreal during the year—on all the shipments?—A. It would only be a guess, because I have no means of knowing, but their earnings are very heavy.

Q. Take the Dominion and the Canadian Express Companies which divide the business, their earnings must be very heavy?—A. I could only give a guess it would be considerably over $100,000.

Q. It is sufficient to warrant them in taking some means to provide proper accommodation?—A. The business is large enough to warrant them in giving us a much

better service than we are getting. But the express companies are doing nothing to improve the service, we have to develop the trade but they are doing nothing to assist.

Q. Would it not be possible to bring all your shipments over the Intercolonial?—A. No it would not—we could do so—but let me say that the only reason for shipping fish by express and paying more than double the regular charges on it is to get quick transit and prompt delivery. Now in shipping by way of the Intercolonial via St. John the train leaves there at about 6 o'clock, 6.30 or 7 o'clock in the evening, an hour after the C.P.R. That Intercolonial train will only reach Montreal on the following evening at 6.30 p.m.—by the C.P.R. it leaves St. John at 5.30 p.m. and the fish will be in Montreal at 8.30 the following morning and is delivered on the arrival of the train. By the Intercolonial Railway the fish arrives at 6.30 p.m. and we could not get delivery until the following morning, making really 24 hours.

Q. But if you had proper refrigerator car service would not that preserve the fish and land it in proper condition.—A. Well, of course, the refrigerator car would help to preserve the fish in transit, but that is not the main point.

Q. The main point you say, is this, that you pay the express companies high rates for a good service and that they are not in return giving you the service that you are entitled to. Is there any other way out of it? Instead of running your fish through the private express companies is there a way out by the Intercolonial keeping the business in its own hands? Do you think it would be possible for it to do so?—A. I think the best method of handling the fish business is by developing it and by increasing the shipments offering. The best means of improving the transportation would be for the railway companies to give a better service, a refrigerator freight service; they should provide refrigerator cars, properly built, properly iced and give a quick service.

Q. A quick freight service?—A. A quick freight service, and make it a really quick service. They could improve it a great deal; there is no reason why there should be so much difference in time between express and freight. We have had it proven in connection with other commodities, where we have competition, that they can give a quicker service. If enough fish business were developed to make competition, you would have this difficulty remedied; the industry would help itself, because there would be a volume of business for which all the transportation companies would be competing. The only advantage, since they all have their rates exactly alike would be in the quickness of the service. They move hogs and other live stock very quickly into Chicago because there is a big volume of business and there is competition; it would be the same with regard to fish if the volume of business offered.

By Mr. Stewart (Lunenburg):

Q. You say that the service was crippled last summer because there was an insufficient volume of business offering?—A. There was not sufficient fish business offering to make use of the entire service provided. The Naval Service Department of the government had arranged with the railways for refrigerator cars to be available on Saturday, Monday and Thursday, or Wednesday, but there was not enough business to permit of our using the whole of that accommodation.

Q. Where is the lack of business? Is it because the fish are not being offered on the coast, or because there is not a market for it?—A. There is not a market. What we want is a greater market; we want a better chance to develop the business.

Q. Are the fish dealers generally doing anything to improve the market in their own interest?—A. How do you mean? Are they doing anything?

Q. By the use of advertising matter the same as in any other business?—A. Yes, the dealers are doing their utmost to induce the retail merchants to improve their facilities and to increase their fish trade.

Q. Do you handle salted and dried or cured fish at all?—A. We do.

Q. Is there much demand in Montreal markets say for dried cod?—A. No, very little. You mean the dried cod put up in bundles?

Q. No, in packages, boneless or bones removed?—A. Yes, there is some trade in that.

Q. Is that trade increasing any at all?—A. I do not think it is increasing very much.

Mr. BRITTAIN: It is getting less every day. Fresh fish and mild cured fish is taking its place.

By Mr. McCurdy:

Q. Speaking of a new market, are you familiar with the enquiry that was sent out for fish for the Canadian troops?—A. Yes, I received the enquiry.

Q. What is your opinion about the feasibility of placing fresh fish in the overseas camps?—A. I could not give you much of an opinion, because I know nothing about their transportation facilities, their methods of handling or storage. One thing that we are pleased as Canadian dealers to know is, that they are going to make at least an attempt to supply our Canadian troops with Canadian fish while they are in the old country. We know that the fish trade there has been so curtailed, due to the war, that they could not hope to get British fish, the production in the British Isles has fallen off to such a tremendous extent; in fact they have been looking for Canadian fish to supply the British public. So, if the Canadian soldiers are to get fish at all it must of necessity be Canadian fish which the Canadian Government would ship to them. We look upon this as one attempt to help our Canadian fishing industry, not only by the fact that the Canadian troops will be eating some of this Canadian fish, but because it brings it prominently before the people of these countries that Canada is a fish producing country.

Q. You think it quite feasible?—A. You see there has been no attempt made to ship fresh fish, that would be out of the question. No fish would be shipped unless it is first treated by cold storage; it must be frozen or it could not be carried such a distance and reach its destination, Liverpool, say, in good condition; it must be frozen before it is shipped. And I do know that transatlantic steamers carrying fish are equipped with proper cold storage facilities; but I do not know what facilities there are beyond the terminals of these steamers; I could not tell you what way they will handle it.

By the Chairman:

Q. How do shipments forwarded in refrigerator cars hauled by fast freight compare on arrival with those forwarded in ordinary express cars?—A. This question is meant to make a comparison between the freight service and express service, is that it?

Q. Yes.—A. The freight service, the freight shipments would necessarily be longer in transit; and it is of great benefit, of great importance, in handling fish to get it as quickly as possible after it has been produced, so that the difference would be in a shorter time in transit in express cars. Ordinary express cars would not make much difference at certain seasons of the year, but at other seasons, such as the summer months, and the hot weather, it would make considerable difference, and would in part offset the advantage of the quicker delivery. I do not know if I am answering your question.

Q. You said a while ago that the express service was hardly satisfactory because in summer the car was too hot and in winter the ice melted in the cases?—A. When placed near the heat.

Q. Do you find the provision which has been made for the refrigerator car, when hauled by fast freight, to obviate these difficulties? Did you get a better service? In other words, not in point of time, but in point of protecting the fish?—A. Oh, yes, undoubtedly.

Q. The same price is charged, I suppose, to the retailer for fish when it is supplied to the dealer in Montreal or Toronto by freight or by express?—A. No, oh, no.

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Q. There is a difference in the price?—A. Oh, yes. The dealers will sometimes order some by freight and some by express. The difference is ordinarily one-half cent, or three-quarters of a cent, per pound higher when shipment is desired by express; and the dealer may order some by express and some by freight, because the Saturday shipment by express will deliver the fish to him for Monday morning. The train gets in Sunday night. By freight he would not be expecting to get delivery before Wednesday morning, so that there is a difference in the cost. It is the difference in the charges.

Q. Has there ever been any attempt at co-operation between the different fish dealers, say in Montreal, Toronto or elsewhere, whereby they would consolidate their orders and so get carload lot rates?—A. There has been a successful attempt to bring dealers closer together through the medium of our Canadian Fisheries' Association, but there has been no attempt to get them anywhere so closely together as to put their shipments all together, because that would be eliminating competition, and we might get in wrong, it might be regarded as restraint of trade.

Q. I do not mean exactly consolidate their shipments and have them all addressed to the same man, but to have their shipments come forward in the same car?—A. Well, that has been done through the medium of the means afforded by the Naval Service Department. The fish is shipped, it comes forward in the same car; a refrigerator car is provided; our shipments and other dealers' shipments come along in that same car. If we have the same quantity leaving the shipping point on the same day, if we have a sufficient quantity, then we obtain what is called the carload rate. If we have not a sufficient quantity to make up the 24,000 pounds, we must pay the lower classification, a higher rate.

Q. Do the dealers consider it of advantage to themselves to co-operate in that way, or would they rather "go it alone." When they co-operate they understand that all the dealers in their city are going to be supplied at the same moment as themselves. If they go it alone they are one of the few firms to have fish on hand?—A. The shipments are forwarded about the same time, Mr. Chairman, and at the same points; and while it has happened occasionally that one dealer's shipment would be in ahead of another ordinarily the shipments arrive at the same time.

Q. Supposing that two or three dealers in Montreal order fish, the quantity being less than carload lots, and those orders are consolidated in the one car. Do you get a rate which is a carload lot rate if the total amounts to a carload, or do you each have to pay individually less than carload lot rates?—A. We have to pay less than carload rates.

Q. Do you consider that that is fair?—A. The railways claim that to obtain carload rate it must be one shipper, one bill of lading, one consignee. I believe that that is right to a certain extent. I have had some difficulty with the railway companies because of a difference of opinion between the officials and myself over getting carload rates, when we were shipping quantities sufficient to make up minimum car lots, and it led to a lot of controversy. What I do object to is, at a time when we are all desirous—the Government is desirous—of developing our Canadian industries, of which the Canadian fisheries is one of the most important, and while a department of the Government, the Naval Service Department, is doing splendid work and has done good work to help in the development in a practical manner, by helping on the charges, by providing better facilities—on the other hand at the same time the Railway Department of the Government should undertake—I might almost call it to place obstacles in the way of the development of that industry; and I know whereof I speak. We have had in the last six months, without any warning, or without any reason that we know of, the minimum weights for carloads of fish on a different classification raised on fresh fish from 20,000 to 24,000 pounds, and on smoked fish, such as finnan haddies, a perishable fish, from 24,000 to 30,000 pounds, in order to obtain the carload rate. There is no reason for it except that it makes it very difficult to handle.

D. J. BYRNE.

APPENDIX No. 3

Q. Do the other railways make the same regulation or does that apply only to the Intercolonial?—A. Before these railways put in new regulations or new tariffs, or any special rates of freight into effect, they consult together and they make it the same.

By Mr. McCurdy:

Q. You regard these provisions then as oppressive?—A. I do not know whether I should call them oppressive. What I mean is, when we are trying to develop the industry, the Canadian fish industry, why should obstacles be placed in the way which make it harder to do what we are trying to do? The Naval Service Department guarantee us the charges on cars in order to give us refrigeration, guarantees the railways against any loss of earnings on that car, and is doing something to help develop the industry, and the Railway Department tries to gouge all they can out of the industry. They have raised the minimum weights by 4,000 and 6,000 pounds to make a carload lot.

By Mr. Sinclair:

Q. Does that apply to all railways?—A. When one of the railways puts into effect a tariff which shows a minimum from a given point to a given destination, and changes it in any way, you may be sure the other railways will do the same, because they consult together before it is done.

By Mr. McCurdy:

Q. Which railways are concerned in this case?—A. The only railways operating from the Maritime Provinces to the distributing points are the Government railway and the Canadian Pacific. Take another instance: our shipments of fresh fish coming a long distance from Pacific coast points to eastern points, or interior points such as Winnipeg, Toronto, Montreal, it is necessary to have refrigerator cars; the question of quick transportation is most important, it is the essential point. Now, we pay the express companies double the first class freight rate for this service. The express companies are owned by the railway companies, so that we are actually paying the railway company a double tariff to give us a quick service, because the perishable products we handle will not stand for the ordinary long-time service; and the express companies derive a big revenue from this fresh fish business. The shipments leaving Pacific coast points, like Vancouver or Prince Rupert are loaded by the producers and shippers at their own siding. Each of these companies have a siding where the cars are placed ahead of time for loading. The cars are not only loaded, but the bunkers are also charged or loaded by the shipping companies, entailing no expense whatever on the express companies. The express company gets this car after it is loaded and sealed, and the railway company moves it out of this siding and puts it on to the train coming through. The express company only has its billing clerk make the billing for this car, and that billing goes through to Montreal or Toronto. That is the only service performed by the express company, in return for which they get a division of fifty-fifty on the charges and they get a return on each car of fresh halibut shipped from the Pacific coast. Their division of the earnings is from $300 to $400. In addition to making this billing at the Pacific coast they make a free delivery of the contents of the car when it reached destination at Montreal or Toronto. We were served with notices last December. There were only two interested, the Canadian and the Dominion Express Companies, but they got the American Express Companies and the Canadian Northern Express Company to go into it and to make it a joint notice to the dealers interested that after the 15th day of January there would be no more free delivery of these shipments when they reached destination. In other words the dealers must take delivery of the fish at the terminal point. That means that the Express Companies receive one-half the earnings from the charges collected from the dealers on that

car in return for which all the service they perform is to make out a sheet or billing at the point of shipment—the initial point of shipment—and collect the charges when the car reaches this end. We consider that is far from helping to develop the industry, or assisting it in any way; it is really trying to retard the industry. It is putting extra expense on the dealers, and still retaining the charges for which they do not give any service.

By Mr. Sinclair:

Q. Do they not ice the car on the way from Vancouver to Montreal?—A. During the summer months they do occasionally replenish the ice in the bunkers, but for that service they charge so much per ton to the consignees, in addition to all the other charges. You may take my word for it that every pound of ice put in during transit has to be paid for.

Q. I want to go back for a minute to the raising of the minimum quantity in a car from 20,000 to 24,000 pounds. If you were shipping 24,000 pounds, is it regarded as less than a carload lot?—A. Yes.

Q. And in that case you will be charged what rate?—A. A higher rate by 10 cents per hundred pounds from Mulgrave. The rate for carload lots is 28 cents, and for less than carload lots, 38 cents. In addition you have to pay the steamer charges, I mean the charges from outlying points like Canso, Queensport or House Island, to Mulgrave, the central shipping point. The small steamship companies engaged in this trade are making a vast amount of money out of the fish industry, and their charges are excessive.

Q. You frequently have less than carload lots, I suppose?—A. Yes. Frequently we cannot get sufficient quantity to make up the carload, and then the shipment has to come through at less than carload lot charges.

Q. So that the increase of the minimum carload by 4,000 pounds tends to hamper the dealer considerably?—A. I might answer that question by saying that sometimes we might have a sufficient quantity to make the total volume 18 or 19 thousand pounds. We would ship that as a carload because by so doing we would obtain the carload rate rather than ship at less than carload rates. It would be cheaper for us to pay on one or two thousand pounds that were not on the car, because of the difference in the freight rate. But when we have the 18,000 pounds, and the minimum is 24,000 pounds, there is too much difference, and we cannot afford to pay the carload rate. Then the railways raised the minimum on the mildly cured fish, like finnan haddies, for which there is a large and ever-growing demand throughout the country, and in which we are developing a large trade every year. The minimum on such fish was raised from 24,000 to 30,000. To compensate for this increase, the railways did not give any better service, or ship on a faster schedule; they simply made the conditions more onerous.

By Mr. Stewart (Lunenburg):

Q. When was that change made?—A. The tariff change is dated September 1, 1915.

By Mr. McCurdy:

Q. You say that the Government railway rate in that regard is exactly the same as the Canadian Pacific?—A. What I claim is that when one of these competing lines of railway issues a new tariff, or makes a change of any kind, it does not do so until after it has consulted its competitor. Of recent years the consent of the Railway Commission has had to be obtained before these changes could be made. It has always been the case, however, that the railway companies issue no tariff of rates or make any changes without first having some kind of meeting. They have a tariff bureau where the traffic managers meet and deliberate over the proposed changes.

Q. A gentleman's agreement?—A. Not only a gentleman's agreement, but a binding agreement. If you consult the tariff of a railway company operating in a

certain district and compare it with those of its competitors, you will find they are all the same.

By an hon. member:

Q. Did you ever look up the Canadian Pacific Railway Tariff to see whether the same arrangement prevails now?—A. I know it does. My firm's headquarters are in St. John, N.B. They notified me that the minimum had been raised, and enlightened me as to some other things, and the same arrangement prevails in the case of both companies.

By the Chairman:

Q. Have you any suggestions to make that would lead to reducing the cost of fish to the consumer?

By Mr. Stewart (Lunenburg):

Q. Before you answer that question I am going to ask whether you could suggest anything that would increase the price to the producer?—A. With respect to the fishermen, your question, Doctor Stewart, is met by the conditions that prevailed during the past season. The fishermen have obtained a higher price for fish, especially ground fish, during the past six months, than they ever obtained in any previous period for 30 years. I have been in the fish business long enough to know that.

Q. That is only stating a fact. I asked you an altogether different question, but I do not want you to answer it until you have replied to the Chairman's interrogation. A. I was answering the easiest question first.

Let me say that to improve the conditions there are many things which might be done. As you, Mr. Chairman, know, the subject is a very broad one. Dealing in the first place with production, I should be in favor of the Government going as far as possible along the lines of educating the fishermen: That the fishermen be taught the latest and most practical methods, the most up-to-date and the most scientific methods, of preparing and handling the catch of fish, so that the fish will ultimately reach the market, reach the consumer, in the best possible condition, and as a result, net the greatest amount possible for the work involved. I would suggest educating the fishermen along the lines followed in Norway for some years past, and that they should have the benefit of all systems now obtaining in the older countries. I realize that it is not easy to divert a man from the methods of rules he has followed in the past, and his parents before him. But there is undoubtedly room for a great improvement in the methods of catching, preparing and the curing, in fact the general handling, of fish at the producing point. If the fishermen follows the latest and best methods he is reasonably sure to benefit from the results. Schools might well be established at points along the Coast, even travelling schools, conducted by men capable of educating the fishermen, men who understand the fishing industry and would be looked upon as experts and thoroughly competent. The only man that will carry no weight with the fishermen is the theorist. The theorist would be of no use in such a position; the instructor must be a thoroughly practical man. Having such instructors travelling around among the fishermen at various points, educating them and showing them where they could improve their methods of packing or handling fish, and what is most important, showing them where it is going to benefit their pockets—that is the argument that will reach them.

The next point, and I have already discussed it, is that of transportation. I believe that when the fishing business comes into its own—and, gentlemen, I have a great faith in the future of the fish industry of Canada—there will be sufficient business developed through this Canada of ours, because with a larger population the traffic in fish from both coasts will be much greater in volume, the transportation companies will be keenly alive to the importance of it and will be competing for it. Then and only then, when they are compelled to do so, will they give the proper service

to which the industry is entitled. When you have a volume of business for which they will be competing, each anxious to secure his own share, and part of the other fellow's share if possible, they will all be cutting down their time—they will not be allowed to cut rates, they will always keep their rates the same. With regard to this question of express service, why should we pay the express companies double rates for the simple purpose of getting prompt delivery of our products? It is a tax on the industry and it is a tax which, naturally, is in the end borne by the consumer. The dealer who handles the fish on the markets and the retailer who sells it to the consumer each incurs additional cost, and that cost is simply carried down to the consumer. I can quite understand it is very difficult for gentlemen not conversant with the details of the business to see how it is that the fishermen down in certain districts can only get $2 per hundredweight for certain fish and that the same fish costs 8 or 10 cents a pound to the consumer. It all comes in on this question of transportation, or at least an awful lot of it. Of course there is the question of handling a perishable product, a man is subject to loss not only of his profit, but also of his principal by reason of losing some fish. But if we can improve the transportation, if we can get lower rates on the transport of fish from the producing points to the centres of distribution so that the cost will be as low as possible, and not only that the cost will be low, but that the service will be improved and the fish carried in the very fastest possible time and delivered in the best possible condition then we will have made great progress. That one fact will help in the development of the fish business as no other possibly can because you will be delivering the fish to the consumer in better condition and that alone will tend to make him use more fish.

By Mr. Sinclair:

Q. Is there an objection to carloads of fish being taken on express passenger trains? —A. There has been no objection, as far as I can remember, except that they would not carry more than one car through on the fast express from the Pacific coast. We can understand that might be for the reason that in climbing the heavy grades it would be difficult to make time if they had to carry too heavy a train. But there again that is a question of transportation. We have found, Mr. Chairman, that cars of fresh fish, emanating from Pacific coast points, ordered to be shipped by express and which were accepted by the express company, were not carried on a passenger train, but were put on what they call a special train made up of six, eight or nine cars of fresh fish, which were coming through to eastern distributing centres, and this train was supposed to run on express time, that is passenger train time, and it has happened that instead of that fish being delivered at Montreal in 108 hours, four days and a half, which was the schedule time from Vancouver, we got delivery in 144 hours, in six days, but no reduction was made in the rate. This fish was carried through on a fast freight service although they charged express rates, the train was made up of so many cars of fresh fish which was hauled to a certain point and then broken up at Montreal Junction or North Bay, where cars were switched off and sent down to Toronto. The company was simply giving a fast freight service on fresh fish, and charging us express rates, making us no allowance for loss of time in transit, the fish not being carried on passenger trains. That is what makes me think that if the fish business offers very often in the summer time sufficient volume at Pacific coast points to make up a train of seven or eight cars through to the east, there is no reason why we should pay express rates. We are paying express rates to-day, and the railway company is taking one half and the express company takes the other half, for what purpose? Not for any service they are giving us; the only service they were giving us was they were making free delivery at the points of destination, but they notified us that would be stopped. We are appealing to compel the railway companies to withdraw that notification and we have been promised a hearing by the Railway Commission so that we will have an opportunity of setting before the Commission our reasons why this rule should not go into effect.

D. J. BYRNE.

APPENDIX No. 8

By Mr. Sinclair:

Q. That rule does not apply to the Intercolonial Railway?—A. Not on the Intercolonial, we have on that road a very good refrigerator freight service. The Naval Service Department pays one-third of the express charges, but they will not give this assistance when the quantity of fish is sufficient in one shipment, at one time, from the coast point to one destination, to make a carload because they claim that shipment will take care of itself. I had been in the position where we shipped a carload from Lockport, N.S., via Halifax, by express and the Government would not pay one-third of the charges because it was a carload. Before that carload was shipped and while it was in transit, I got after the Dominion Express Company in an endeavour to secure some kind of lower rate than the existing through rate. They would not grant any reduction whatever and charged the same rate as for one box, and when it came in the Government refused to pay any portion of the charge.

Q. Why?—A. Because of the rule that when the shipments reached the minimum of a carload then the Government grant stops, that is, that the idea of the department is to develop the business up to the point where it reaches a carload, assuming that when it reaches that point we can get a better rate, but the express company refuses to give a better rate.

By Mr. McCurdy:

Q. In shipping from Lockport that brings another railway into the competition, the Canadian Northern?—A. Yes, but the C.N.R. only hauls it from Lockport to Halifax where it turns it over to another company, and they have a pro rata charge. The express company assumes those charges from Halifax on and pays them.

Q. What express company was involved in this case you speak of?—A. The Dominion.

By the Chairman:

Q. Do you think it would be desirable, in order to broaden the demand for fish to have demonstration kitchens in different centres of the Dominion where fish is not much used now, in order that the people might learn how to cook and serve it. Something of the sort was tried at the Toronto fair, I believe, last year, and was very successful?—A. That was a fish restaurant. Our view, as members of the fish industry and the Fisheries' Association is that anything which makes for publicity, anything which tends to bring the subject of fish more prominently before the public is bound to do good. We think what the public needs is more education as to the value of fish as a good food and the rest will follow.

By Mr. McCurdy:

Q. What is your association doing in educative work of that kind?—A. Well, we develop among our members a spirit of working together to bring the fisheries more prominently before the public. One of the things we are doing is that an idea, emanating from one of our members has been put into effect by the association at our recent annual meeting, to have an annual fish day, the same as they have an orange day, or a salmon day or an oyster day in the States, and the first of these annual fish days is to take place next Tuesday, a week from to-morrow, the 29th February. All we want is to bring fish prominently before the public. If the public only knew the economic value of good fish, getting it right, and knowing how to cook it, there would be a lot more used.

By Mr. Sinclair:

Q. Do you think a good deal could be done by the retail dealers preparing fish for the pan, in place of selling as they often do in a rough state. It is objectionable to servants to clean fish. Take a fish with scales into a kitchen, and the ordinary servant does not like the work of making that ready to cook. I know a retail firm

who got a special man who understood that branch of the business, and he prepared the fish, sliced it up, cleaned it off, so that the housewife had nothing to do but put it in ready to be cooked, and this increased their trade enormously in the town where it was adopted. Could not that be taught to the retail dealers in big cities? Do they do it?—A. That is the universally acknowledged plan of handling fish now in any district such as you speak of. I assume you do not speak of the workingmen's district since you mentioned the servant. In the city of Montreal in practically all the butcher shops and fish shops among the better class of the people, the fish is always cleaned; but that is one of the reasons I mentioned some time ago in giving my evidence here, that the cost of all that adds to the cost of handling. The fish, I might say, in 85 or 90 per cent of the stores in Montreal, with the exception of the frozen fish handled at some seasons of the year—they cannot clean the scales without pulling the hide off it—the fish is cleaned before delivery, that is a fresh haddock or cod will be scraped, the fins cut off, the head removed if necessary and the tail, and scraped to take the scales off. That would be done and it would be washed before it is wrapped up for delivery; so that method obtains in most of the stores of any class. Fish would be cheaper if all that expense had not to be put on it.

The CHAIRMAN: Does any member of the Committee desire to ask Mr. Byrne any further questions?

The WITNESS: I might say, in answer to your question about improving conditions for the fish trade, the policy of education should go right out towards the dealers handling fish, and that should be done through the wholesalers, educating them as far as they can to prominently advertise the fish in their stores and to set up the fish in a good, attractive manner so it will appeal to the customer coming in. That will help too. Then there should be proper methods for carrying the fish. Most of the retailers are not equipped at all. We wholesalers have to carry their stock, keep supplies for them, and send it to them four times as often as we should, because they have no facilities. Some have nothing at all in which to carry or display their fresh fish. Fresh fish should be displayed in the summer months so that dust or flies cannot get at it, in a glass covered case or receptacle of some kind.

By Mr. Sinclair:

Q. With ice?—A. Fish in summer should never be without ice.

Q. There is one question I am sure we have not on record. Can Mr. Byrne tell us the cost of bringing in fish from Nova Scotia to Montreal in carload lots and in less than carload lots. What is the cost per hundred pounds?—A. According to the points. The rate from Mulgrave to Montreal is 28 cents per hundred pounds gross weight; that is the carload rate, the gross weight. In less than carload lots the rate is 38 cents. That is exclusive of cartage at Montreal, and exclusive of the charge at either end.

Witness discharged.

Committee adjourned.

D. J. BYRNE.

APPENDIX No. 3

HOUSE OF COMMONS,
COMMITTEE ROOM No. 301,
WEDNESDAY, February 23, 1916.

The Committee met at eleven o'clock, Mr. Jameson presiding.

Mr. W. A. FOUND called, sworn and examined.

By the Chairman:

Q. You are the general superintendent of fisheries of Canada?—A. Yes, sir.

Q. How long have you been connected with the Fisheries Branch?—A. Since about eighteen years.

Q. Can you state what the express and freight rates are in the transportation of fish in Canada, between the more important centres?—A. Yes, sir.

Q. Have you a statement which you can put upon the record?—A. The rate for instance from Mulgrave, dealing first with the express rate, the express rate from Mulgrave or Halifax to Montreal is $1.50 per hundred pounds, exclusive of the package, that is on the net weight of the fish. Up to the present time there is no carload rate. The rate from St. John to Montreal is $1.30 per hundred pounds. The rate to Toronto from Mulgrave and Halifax is $1.75 and $1.60 from St. John. The rate from Mulgrave or Halifax to Hamilton is $1.75, and from St. John $1.60. To London from Mulgrave or Halifax it is $2, and from St. John, $1.75.

By Mr. Sinclair:

Q. What is it to Winnipeg?—A. I am not sure, Mr. Sinclair, what the rate is.

Q. What is it to the coast? We are sending haddie to the coast in considerable quantities now, I understand?—A. That would all go, I imagine, by freight, as far as I know. I do not know the express rate from the Atlantic to the Pacific coast. I endeavoured to get a statement of that some time ago and the reply was that there was not any traffic at the present time. The rate the other way, from the Pacific coast to Toronto or Montreal, is 3 cents net, $3 per hundred; that same rate applies to Boston by express from the Pacific coast. I understand the only difference is that up to the present time there has been a delivery service at Canadian points on the three cent rate, whereas in Boston my information is that the consignees pay the delivery charges.

Q. I do not think it would be practicable to send haddie to the coast by freight?—A. In the winter-time it would.

Q. In the winter-time it might but in the warm weather it would have to be sent by cold storage car in any event if it were carried that distance. I know a firm in Mulgrave that sends their output to the coast?—A. I would not speak positively, but my impression is that practically all the eastern finnan haddie shipped to the coast goes by freight. The express rate from Vancouver to Calgary in carload lots is $2.50, and in less than carload lots, $3.50. To Regina carload lots, $2.50, less than carload lots $4.50. To Winnipeg carload lots $2.50, less than carload lots, $4.50. The rates over the Grand Trunk Pacific are the same, excepting the rate to Edmonton, which is cheaper. The rate by the Canadian Pacific railway to Edmonton is $2.75, whereas from Prince Rupert it is $2.50. They have rather a peculiar system of giving a carload rate on the net weight of the fish, and when it is less than a carload the rate is

on the gross weight, but allowing the usual amount for package and the ice, it figures out at about the amount I have given you. I have given you the old rate, as it used to be stated and the company states that there has been practically no reduction in any instance.

Q. Are the rates practically the same on all the different lines?—A. Yes.

Q. They all correspond one with the other?—A. Yes, the only difference practically is the one I have spoken of, that is the C.P.R. rate to Edmonton is dearer than the G.T.R.

Q. In shipping from Nova Scotia and Eastern Canada to Montreal and Toronto do you mean there is no advantage in shipping by I.C.R. over the C.P.R.?—A. No.

Q. We were told by a witness yesterday that the weight making up a carload lot had been raised from 19,000 to 24,000 pounds in the case of fresh and frozen fish, and to 30,000 pounds in the case of finnan haddie, smoked fish; when was that done?—A. That was a short time ago, I understand, that was, I am speaking subject to correction, some time last fall, September or October.

Q. Did your department have anything to do with it?—A. No. Of course we have an arrangement with the I. C. R. and the C.P.R. for a fast freight service; and that change does not affect our arrangement which is based on 20,000 pounds for a minimum carload and, while of course cars may be carried outside of that arrangement on other days, it does not affect our arrangement which has been made for the present fiscal year.

By Mr. Loggie:

Q. What is the rate from Mulgrave or Hawkesbury to Montreal for a 20,000-pound carload of fish?—A. That is freight, there is a service available, a cold storage car, to the shippers three days a week from Mulgrave or Halifax, and the railway company is guaranteed the earnings of that car on each trip west up to thirty-five dollars, plus the cost of icing the car.

Q. What is the ordinary rate?—A. At the ordinary rate, that is by carload lots, the rate is 28 cents, and 38 cents in less than carload lots, per hundred pounds, of course.

Q. In a carload lot do they allow more than one shipper?—A. There may be more than 20,000 pounds, but each shipper using less will have to pay less than the carload rate.

Q. That is 28 cents and 38 cents you said?—A. Plus the cost of icing.

Q. How long does that car take to make the trip?—A. The schedule time is 56 hours from Mulgrave to Montreal.

By Mr. Sinclair:

Q. Can you account for the slowness of the service recently to which Mr. Byrne referred the other day?—A. I understand it is owing to the war conditions having congested the traffic so much; the shipment of material required for the military service has so congested the conditions at the ports that it has been impossible for the railway companies to move the traffic as fast as formerly.

Q. Do you know if fish has any preference over other freight?—A. It has not.

Q. I cannot understand why it would take a train six days to reach Montreal from Mulgrave.—A. It would not take the train that length of time, but the car might be put off for one reason or another; the train would go through in much less time.

Q. Will this refrigerator car take fish right along the route? Will it take in a box or two say, at Newcastle or any other station?—A. That would not be feasible.

APPENDIX No. 3

By Mr. Loggie:

Q. Why could they not pick up fish in that way?—A. Every time the refrigerator car is opened the temperature goes up.

Q. That would not be a serious matter if they had the proper facilities at the station for putting the fish in; they could run the car alongside the warehouse, and the team could bring the fish to the other side of the warehouse where it could be trucked over to the car immediately. It would be practically impossible to set the fish in the car unless these facilities were provided, and of course that is where the difficulty would arise.—A. Under any other circumstances it would mean that the car would be delayed and it will be opened a considerable number of times. Possibly a new arrangement could be made for opening that car at particular places where there are proper facilities, say, at Campbellton.

Q. At Newcastle there are facilities provided for backing the train into the siding. The point is whether they can do that or not?—A. It would depend on time; the train has to make time.

Q. These places along the route are very much handicapped. They cannot use that car.

By the Chairman:

Q. We will have the rest of the freight schedule.—A. The freight rate from Mulgrave to Montreal is 28 cents in carload lots and 38 cents in less than carload lots; from Halifax it is 26 cents C. L. and 35 cents L. C. L.; from St. John 22 cents C. L. and 31 cents L. C. L.

By Mr. Loggie:

Q. Do you have any car from St. John?—A. Yes, sir. It is available, but it has not been used.

Q. That is more like it.—A. It is available to shippers at all times. All the goods coming from western Nova Scotia now come across the Bay of Fundy from Digby.

Q. They would not come around by the I. C. R.?—A. I am speaking now of the C. P. R. from St. John. The freight rate from Vancouver to Calgary is 94 cents in carload lots, $1.88 in less than carload lots; to Regina $1.25 in carload lots, and $2.55 in less than carload; to Winnipeg $1.25 in carloads, $2.87 in less than carloads.

Q. Have you any memorandum there of how much went over to these points in less than carloads?—A. No, I have endeavoured to get that information.

Mr. LOGGIE: I should think you would find there is mighty little. It is not practicable to ship fish except in refrigerator cars.

By Mr. Kyte:

Q. Would you compare the freight rate from Mulgrave to Calgary, for instance, with the rate from Vancouver to Calgary? You have just said that the freight rate from Vancouver to Calgary is 94 cents C.L. and $1.88 L.C.L. What would be the freight rate from Mulgrave or Halifax to Calgary?—A. I am sorry I have not that information with me.

Q. How far west have you the freight rates?—A. Not farther than Montreal really. I was only giving them where they are really being used to any extent at the present time.

Q. I thought you gave rates as far west as London?—A. That is by express. I was just showing what is really being used at the present time.

By Mr. Loggie:

Q. What are the points that the Government pay a portion of the express rate to from the east to the west, that is the cities?—A. From the east coast, as far west as the western border of Ontario; from the Pacific coast, as far east as that boundary.

Q. Does it apply to the small inland towns?—A. Yes.

Q. Say to Guelph: supposing I want to ship a package to Guelph, does it apply?—A. Yes.

Q. It does not apply however from Montreal?—A. No.

By Mr. Kyte:

Q. Does it apply to packages or carloads?—A. To shipments, to consignments.

Q. The Government pay what proportion?—A. One-third.

Q. As far west as the western boundary of Ontario?—A. Yes, by express.

By the Chairman:

Q. Mr. Found, why have there been no carload rates by express in the east?—A. The express companies have claimed that the traffic has not yet demanded it. I think myself it should be provided.

Q. By consolidating shipments, and giving the privilege to different shippers of forwarding their goods in the same car—only the one commodity being forwarded, of course—could not carload rates be obtained?—A. I think so, sir, I think it would rapidly come to that.

Q. Would that effect a very considerable saving in the cost of transportation?—A. A very considerable saving.

Q. How much per hundred pounds to points as far west as Montreal?—A. There is no carload lot rate, so it is impossible to state; but it might be appreciated by stating the condition from the other way where we have both rates. For instance, I stated a short time ago that the express rate on carload lots from Vancouver to Calgary was $2.50, and $3.50 on less than carload; to Regina, $2.50 on a carload and $4.50 on less carload; to Winnipeg, $2.50 on carload, and $4.50 on less carload. Now, it can readily be seen that none of these three places could in themselves make up a carload, but if the three places could combine their shipments in one car, and that car could be opened in transit, as a pedlar car could be, a carload could be made up which would mean a rate of $2.50 applying to each place; that would be Calgary would get $2.50 on its shipment in place of $3.50, and the other places would get $2.50 in place of $4.50, plus $5 for each time the car was opened.

By Mr. Sinclair:

Q. We were told there were several carloads coming in on one train?—A. That was through shipments for Toronto, Montreal and the United States. That condition does not apply to the local demand such as Winnipeg and points farther west. It is a difficult matter to get a carload to Winnipeg very frequently.

By Mr. Loggie:

Q. On what grounds do you expect carload rates by express, if you make them up by different shippers and at different points?—A. I do not see why our Canadian express companies will not give facilities that are given over the important United States roads. That arrangement of opening in transit is in operation on the important transcontinental lines from the west coast of the United States, and has been for a number of years. For instance, the Great Northern Express Company operating over the Great Northern, the Northern Express company, operating over the Northern Pacific, the Wells, Fargo Company, operating over the C. M. & St. P., and the American Express Company, operating over the Oregon Short Line, and the Northwestern, I think. All of these roads allow such shipments to be made by delivering to three places on the direct line.

APPENDIX No. 3

By Mr. Sinclair:

Q. No more than three?—A. No, charging $5 for each place. If such an arrangement were applied to the east, for instance, a car could no doubt easily be made up of shipments for Montreal, as was stated by the Chairman the other day, I think, and for Kingston, Toronto and such other places, all in a direct line.

By the Chairman:

Q. That would effect a substantial saving in transportation?—A. It should effect a very substantial saving.

By Mr. Loggie:

Q. That would mean that if a refrigerator car were put on it would operate a certain number of days in the week from the east?—A. I should think such a service should be available at any time it could be taken up.

By Mr. Kyte:

Q. For one or more cars?—A. For any number of cars.

Mr. LOGGIE: That would get over a difficulty that I have found. My experience has been that in making shipments by express——

The CHAIRMAN: My suggestion is that we get the evidence of Mr. Found, and that as the hon. member has done a special line of business we would ask him to take the witness stand later and give us his views. We are particularly anxious in the meantime to get the evidence of the witness.

Mr. LOGGIE: What I want to know is if it is practicable for a refrigerator car to be put on and kept at a certain temperature winter and summer, it would overcome the difficulties that I have found in having the goods arrive in good order at destination.

The WITNESS: There would be no cost of importance to the express company. The only extra cost would be to the railway. The railway provides the rolling stock and does the hauling.

By Mr. Loggie:

Q. If they would.—A. Such an arrangement would not be one that would give any important increased expense to the express companies.

Q. Except they would have to carry another car?—A. That would be provided by the railways and hauled, for which they would get a percentage.

By Mr. Sinclair:

Q. Does the railway object?—A. I think so.

Q. Is there no express car now on the through express trains from the east?—A. No special refrigerator fish car.

Q. When did that discontinue?—A. It was not continued in 1915.

Q. That was not running last year?—A. It was not running last year.

Q. Why did that stop?—A. In 1914, in the annual report, a statement will be found that a service was started of a cold storage refrigerator express car one day each week to shippers from the east to Montreal.

By Mr. McCurdy:

Q. At what time of the year did that service begin?—A. It began in 1913, rather well on in the summer—I would not like to speak from memory, you will find it in the annual report. It worked out well. There were a few occasions, not more than half a dozen at the outside, when the aggregate weight of 10,000 pounds—I should have explained previously that the arrangement was that the express company and the railway companies agreed that that service would be put on if the earnings to

them up to 10,000 pounds in that car were guaranteed. Now, that guarantee was met in nearly every instance. In 1914 the experience was quite different. There were 34 trips made and on 18 of these trips the quantity was below; in several instances very seriously below, the 10,000 pounds.

By Mr. Kyte:

Q. And the difference had to be made up by the department?—A. The department had to pay not only one-third of the express charges on all the shipments that were in the car, but the full amount for those that were not in up to ten thousand. That was one reason. The railway had considerable difficulty with that car, a difficulty in haulage. Possibly the car was not of proper construction for the purpose.

By Mr. Loggie:

Q. It may not have been properly constructed?—A. It may not have been of proper construction and the railway company were very anxious to get rid of the service which had frequently delayed their trains. Their train was a heavy train, and in the light of the heavy cost, and of the fact that a fast freight in the refrigerator cars is feasible for the moving of fresh fish and is in the public interest, it was decided last year to replace that service by a fast freight service three days a week.

By Mr. Sinclair:

Q. Why is it the fast freight goes every day?—A. The freight service is a daily one, but the cold storage car was made available to the shippers three days a week. You can easily see that if the railway company did not get a certain number of pounds of freight in, or a certain amount of earnings on, that car, it would not pay them to haul the car.

Q. But if the shipper has a carload of fish, can he not secure the necessary service by ordering a refrigerator car?—A. But if he wants to send two or three thousand pounds it would not pay the railroad to haul it.

Q. But if he wants to send fish forward he can only do so one day a week?—A. No, there is a three-day service now. I mean any other day outside of that.

By Mr. McCurdy:

Q. Has the Department of Naval Service been called upon by the Railway Department to make any payment, or give any guarantee, with respect to the improved class of service?—A. They guaranteed the earnings on that car each trip west. It used to be on two-thirds of a minimum carload of 20,000 pounds. This year it was fixed at the sum of $35 plus the cost of the ice.

By Mr. Kyte:

Q. The Government were to pay the difference?—A. Yes, if there was any difference.

By Mr. McCurdy:

Q. What payments have you been called upon to make under that agreement?—A. I have not a statement of them with me, but I can hand in one to the committee later.

By Mr. Loggie:

Q. I would like to know why there is not an express service available to intermediate points?—A. There is an express train now coming West.

Q. The express service is available?—A. All the time.

Q. But in the winter season the shipments go into a heated car?—A. Yes.

Q. And in the summer season the shipments are put into such warm cars that the ice in them melts very quickly?—A. No doubt. I would like, Mr. Chairman, to impress upon the committee very strongly my own view that the business is now big enough to be handled mainly by fast freight and not by express. That is, that in place of express being relied upon, recourse should be had to a fast freight service, allowing the express service to deal with the secondary end of it and meet the smaller require-

ments. That will be in the interests of everybody and will result in fish being sold more cheaply to the consumer. Every day the advent of the fast freight draws nearer. Experience has shown, and it has been borne out by the evidence already given in this inquiry, that fish landed, placed in refrigerator cars and hauled by fast freight arrive at their destination in practically as good condition as when they left the starting point.

By Mr. Sinclair:

Q. That is very good, but what we want to know is how to deal with freight offering at intermediate points?—A. I am speaking now in regard to the main markets, let us say such markets as Montreal and Toronto, to which shipments are now carried by express. These markets could be well served by fast freight at the present time to the advantage of everybody.

By Mr. Loggie:

Q. What about the intermediate points? There they also want to ship to Montreal and Toronto.—A. I think arrangements could be well made for consolidating shipments at certain points in that car, certain intermediate points, the same as shipments are now consolidated at Truro from Halifax and other points.

By Mr. Sinclair:

Q. Are there not express cars with isolated chambers where fish could be stored without being injured by the heat?—A. There are express refrigerator cars, the very same as the refrigerator fast freight cars, but with the fast freight you would pay on a carload 28 cents per hundred pounds from Mulgrave to Montreal, while on the express service for the same shipment the charge would be $1.50.

Q. I am quite ready to grant that, but could we not get a fast service for shipments from intermediate points?—A. That could be well arranged. I do not think there would be anything unworkable in arranging, for instance, for shipments along the coasts of New Brunswick to be consolidated at given points—say at Newcastle or Campbellton—and put in that car and shipped forward.

Q. Has the Department ever considered the advisability of adopting some kind of improved car that would handle express goods, perishable goods, without being injured in transit? Has that ever come before the officers of the Department?—A. Do you mean by express?

Q. Yes.—A. Such a car is now available; the refrigerator express car is now a fact. It is by that method that all the through shipments are now hauled from the Pacific Coast to the East.

Q. Do you mean it is available for small packages?—A. No, sir.

By Mr. Loggie:

Q. What Mr. Sinclair wants to know, is there any possibility of having such a car on the Intercolonial that would pick up shipments at intermediate points?—A. Yes, sir, but it is too expensive.

By Mr. Sinclair:

Q. Could not two divisions be made in the one car by means of a partition, one of which could be devoted to shipments requiring cold air?—A. That would help. We have tried hard to get the express companies to do what was suggested the other day, that is, partition off a portion of a car which, if they would not ice themselves would be iced by the shippers.

Q. Have they refused to do so?—A. Yes.

Q. In the transit of fish, as the Chairman knows, in the cargo boats plying along the coast it is the commonest thing in the world to so arrange it that there shall be no hot pipes in the hull where the fish is packed. We find that works out very well.—A. I repeat, we have tried hard to get the express companies to partition off a portion

of a car, which would be available for shippers of fish, and which they could ice themselves if the express companies would not do so, but we have not succeeded. For the working up of a big fish trade we must have cheaper rates. If we cannot get those rates by express I cannot see why the fast freight could not be utilized.

Q. Do you mean for through traffic?—A. Yes.

Q. But that is not applicable to local traffic. You must understand, Mr. Found, that the local traffic is very important.—A. I quite understand that.

Q. And its importance is growing along the Intercolonial?—A. I quite understand that.

Q. All these small intermediate towns have to be supplied with fish.—A. I think you will find it quite feasible to do as I suggested a moment ago: have the shipments for local points consolidated, without increasing the rates, at certain places. Those shipments would come a short distance by ordinary freight, and on arriving at the point of consolidation would be put into a refrigerator car and get the benefit of the cheap rate and the refrigerator service.

By Mr. Kyte:

Q. I do not see how that is worked.—A. Why would it not work?

Q. Suppose Moncton were chosen as the place to pick up intermediate freight. The freight on small parcels from Shediac, Sackville, and places in Kent County would have to be paid, and then there would be the other freight besides.—A. I think you will find it quite feasible to give them a through rate from the point of starting by means of a local freight to a certain point, there to be consolidated into the other.

By the Chairman:

Q. Do you think there is any disposition on the part of the dealers to act jointly in getting their fish to the inland markets so that they would be brought up on the same train, so to speak, and in that way increased quantities carried and consequently lesser freight or express rates obtained?—A. They do combine in their shipments now, but it does not give them any cheaper rates. Each of them pay the railroads for less than carload shipments.

Q. But if there were a full carload they would not be charged less than carload lot rates even though there were several individual shipments?—A. Quite so.

Q. From your experience do you consider it would be fair to ask the railroads to continue that system and give a carload lot rate where the number of shipments made a full carload?—A. I quite realize, Mr. Chairman, that might raise the point whether the railroads could fairly be expected to do that if there were too many consignees en route to whom they had to deliver. It is a question which requires expert knowledge, and I would prefer not to give a definite answer, but rather leave it to some one of the transportation men to give you clear views on the point.

Q. It is merely because of the cost of delivery at the point of destination, is it?—A. Clerical work connected with different bills of lading.

Q. In what way do you think there could be a saving effected in the transportation of fish from the East to the Montreal and Toronto markets?—A. The first method, in my judgment would be the authorization of a pedlar car service, or the opening of a car in transit.

Q. You might explain, for the sake of getting in on the record, as briefly as you can, what a pedlar car service is?—A. A car in which the shipments for each place in a direct route and on which the carload lot rate to the farthest point will be charged, may be consolidated, such car to be opened at certain points and a certain charge being made for each opening in addition to the freight rate.

By Mr. Kyte:

Q. That is an express car?—A. It is an express service. I do not see why such a service could not be arranged for by fast freight, which, after all, is practically an express service.

APPENDIX No. 3

By Mr. Loggie:

Q. Would it not be better to have the extra charge for opening at intermediate points included in the rate. Otherwise it may prove very troublesome to shippers.—A. It is a fixed charge. I do not see why there should be any trouble; in fact, the man knows when he has the car opened that he must pay a fixed amount for that opening.

By the Chairman:

Q. What other improvement would you suggest?—A. Another improvement, and possibly the most important, is the one I have already suggested; to get the dealers to have their shipments forwarded by fast freight instead of by express. The main difficulty, as far as I can find out, at the present time is a secondary one; that the wholesalers would be unable to get their orders in sufficient time in advance to enable them to ship by the slower means of transport.

Q. With a better system of transportation and with an assured prompt delivery of the fish, do you not think that the dealers and wholesalers would be justified in placing their orders farther in advance?—A. I think so. Of course the whole matter will be solved by competition, by increasing the consumption of fish to such a point that we get competition in the interior markets. Then the transportation companies will be competing for the business. In order to get that competition of course we must have the demand for the fish.

Q. You mean competition in transportation?—A. That would come, and not only in transportation but in all other matters pertaining to the handling of the fish, if there is the demand for it.

Q. In what other way do you think the welfare of the fish industry might be promoted?—A. Speaking broadly I would say that the greatest need is possibly education; education of the consumer as well as of the producer, but very primarily education of the consumer.

Q. What do you think of demonstration kitchens somewhat similar to that operated at the Toronto Exhibition for the purpose of showing how fish can be served, and made attractive?—A. Anything of that nature ought to do a lot of good.

Q. One of the witnesses, I think it was Mr. James of Toronto, when giving evidence the day before yesterday, said the best fish he had ever seen in Toronto, from the sea, came in a fast freight and was exhibited at the Exhibition. Do you know how long it took that car to come through?—A. I do not know how long it took, it was a refrigerator car of course. My impression is that it came through by express, but it does not matter, it was a refrigerator car, it would have come through in perfect condition the other way. I was impressed the other day, if I may be permitted to make the statement, by the doubt that was expressed as to the possiblity of placing fish in good condition at points say west of Montreal. I think that was answered most completely and effectively by the fish that were served at the Fisheries restaurant at the Toronto Exhibition last year. I never tasted better fish served anywhere than the fish that I got there.

Q. At what period of the year was that?—A. In August and September.

By Mr. Loggie:

Q. Was that fish forwarded by express?—A. In a refrigerator car.

Q. But by express?—A. I think so.

By Mr. Sinclair:

Q. I would like to ask the witness about the inspection of fish. Are you doing anything about inspection under the new law?—A. You mean pickled fish now?

Q. Yes, pickled fish?—A. Yes, that has been started.

Q. What are you doing?—A. We are doing a great deal—I do not know just where to start. In the first place we have been having addresses at meetings of fishermen and packers and others who are interested explaining the requirements of

the Act and the requirements in packing fish, endeavouring to show the people the advantage of availing themselves of the Act. During the past year a certain number of barrels of herring, mackerel and alewives were not only inspected but a number of them were branded.

Q. Will you give us the number now, if you can, of barrels that were inspected and branded?—A. I can tell you from memory approximately, but I haven't the actual figures before me.

Q. I would rather have it correct if you can give it. Can you tell us about the doings of the inspectors, the number of barrels each man has inspected and the points at which the inspection was made?—A. I will be able to do that.

Q. What staff have you?—A. There are five inspectors on the Atlantic seaboard at the present time.

Q. Are they salaried men?—A. Every one of them, giving their whole time and attention to this work.

Q. How much do they get?—A. $1,200 each.

Q. And travelling expenses?—A. And travelling expenses.

Q. Have you made any appointments recently?—A. I am not quite positive about that.

Q. Can you give us the names of the inspectors?—A. I think I can. Starting from Northern New Brunswick there is Colson Hubbard. These inspectors each have a certain district, but these districts are not absolutely fixed, they may be moved from one place to another, but broadly speaking Mr. Hubbard has the gulf coast of New Brunswick. Thomas Doyle has the Magdalen Islands, Prince Edward Island, and a portion of Nova Scotia, Northumberland straits. H. H. Mann, Sydney, has the Cape Breton Island. Arthur Hiltz, Mahone Bay, has the Atlantic coast of Nova Scotia. Mr. Wilson, I think it is Havelock Wilson, if I remember rightly, has the Bay of Fundy coast. Now the department felt that as it was a new Act it would be better to start off with a minimum staff, and as the conditions required we could increase it.

Q. Have they sub-officers working under them?—A. These men are all available to go anywhere, to inspect pickled fish here or there, at any time, and at any place in their district. The people's requirements are being met in every possible way.

Q. Then there is not very much call for their services, or one man would not be able to inspect for the whole southern coast of Nova Scotia?—A. The Act only came into force on the first day of May last.

Q. They are not kept very busy, are they?—A. There was not a tremendous amount of business last year.

Q. The inspection is optional, is it not?—A. Yes.

By Mr. Stewart (Lunenburg):

Q. They spend a great deal of their time in giving lectures and addresses at meetings?—A. In educative work among the people; in that way they spend a good deal of time.

By Mr. Sinclair:

Q. Are you furnishing them with any literature similar to that issued by the Agriculture Department? Have you issued any bulletins containing information?—A. The department is issuing a monthly bulletin.

Q. That is on statistics?—A. And it contains other information.

Q. But not in the way of instructing the fishermen?—A. That is all contained in the Act and in the regulations thereunder. The regulations themselves contain full instructions.

Q. You mean the Act?—A. The regulations drawn under the Act are so detailed that they are instructions to the fishermen.

Q. And have they been put in the hands of the fishermen?—A. Broadly—as broadly as there is any demand.

Q. When a man sends to you for a copy he can get it?—A. Every inspector, every fishery officer as well as every inspector of pickled fish has been furnished with a full supply, and he can get any further quantity he requires, with instructions to get them into the hands of every person interested.

Q. Have your inspectors done anything with regard to instruction in the packing of Scotch herring?—A. Yes.

By Mr. Kyte:

Q. Do the inspectors send in weekly reports of their doings?—A. Yes.

Q. Have you been receiving since the first of May last?—A. Yes—they do not come to me directly, they go to the general inspector, the general inspector of pickled fish.

Q. Are these reports printed?—A. No, they are not printed, they are for departmental use, for the use of the officers.

Q. They will probably appear in the next annual report of the Naval Service?—A. Full information will be given in the report anyway.

By Mr. Loggie:

Q. When you are furnishing the information for which Mr. Sinclair has asked can you give the number of barrels each inspector had charge of during the past year?—A. I have agreed to furnish a statement of that kind—I am speaking from memory, I think I can give that information.

Q. You can give it under each inspector's name?—A. Oh, decidedly.

Q. I have been wondering whether there has been any Scotch herring passed on in our district. I have been interested in packing some and I would like to get full information if I can get it?—A. I will give you the full information.

By Mr. Copp:

Q. I want to get more information with reference to the assistance the department has given in developing the fish industry. I understand the department is paying a certain percentage of the cost of transportation of the fish?—A. By express.

Q. By express only?—A. Yes.

Q. And what proportion of the cost does it pay?—A. 33⅓ per cent on all shipments from the Atlantic coast as far west as the western boundary of Ontario, and the same on shipments from the Pacific coast to the same boundary.

Q. Irrespective of the size of the shipment??—A. We do not pay anything on carload lots. The idea of the department is that when the business gets developed to the point that the shipments are made in carload lots those shipments can take care of themselves. We are endeavouring to develop it to that point and in the fast freight service, in order to do so, the department is guaranteeing the earnings on each car, on each trip west, to be $35 plus the cost of icing. If they earn that amount, plus the cost of icing, we pay nothing.

Q. I understand you are going to furnish information with regard to the amount the department has paid for that service?—A. Yes, I understand it is the desire of the Committee that I furnish that information for the present fiscal year.

By Mr. Stewart (Lunenburg):

Q. That arrangement has been made with the Government railways only, has it?—A. No, it has also been made with the C. P. R. from St. John, but it has not been availed of.

By Mr. Sinclair:

Q. If a business was developed between Mulgrave and Yarmouth for American ports would the Government pay any part of the express charges on that?—A. No.

Q. Why not?—A. It does not apply to any inter-provincial trade. It does not apply to shipments from Lake Erie to Montreal or from Lake Erie to Kingston. The

idea was to work up the Canadian trade from the Atlantic and Pacific seaboards to the interior markets of Canada.

Mr. LOGGIE: It has certainly done so, too.

By Mr. McCurdy:

Q. Mr. Found, would it be possible to get a report from your inspectors showing the progress made in the operations of this Act for the inspection of pickled fish?—A. The point will be appreciated by all those gentlemen from the Maritime Provinces. It will be appreciated there that the progress, while it might not seem to be much this summer, is all what you might call cumulative, and it will show itself next season. What will be done next season is more a mark of what is being done this year. When the Act came into force very few of the packers were equipped, or had the necessary barrels or packages to put up pickled fish.

Q. It was open for them to have them?—A. Scarcely for a year.

Q. The Act was passed in the session of 1914?—A. Yes, and it was to come into force on the 1st of May last.

Q. If we could have a report of that kind embodied in the record it would be valuable?—A. It will be pretty hard to make a report, because, as I say, it will be very much easier to show you what is done next year in the way of progress. The point is this: we have many reasons to believe that there will be quite a large business done next season, but we have only reasons to believe; we cannot say assuredly. These fish have to be caught first.

Q. We have heard for many years about the Scotch cured herring business. Private dealers have gone into this business with disastrous results. The Government is expending considerable sums of money now to encourage that method of packing, and it promises, if successful, to be the most important departure that the trade has made?—A. The war has opened the whole door to us.

Q. Apart from the war, I cannot understand why it should not have been a profitable business even before the war. The imported herring was sold at high prices?—A. But we had the difficulty of facing a market already established with a new commodity. Now, we are in a condition, so far as that is concerned, of facing a market that cannot be supplied with that commodity, and if we can get on to that market within the next two years it should be permanent.

By Mr. Sinclair:

Q. And the American market?—A. Yes, and the Canadian market to an important extent, too.

Q. What are you doing about it? What has the Department done to promote the Scotch herring industry?—A. Well, I have tried to explain that, Mr. Chairman.

The CHAIRMAN.—How would it do to have Mr. Cowie come before the Committee and give what information is available?

Mr. MCCURDY.—Perhaps Mr. Cowie could bring with him some report covering the operations of the pickled fish inspection.

By Mr. Sinclair:

Q. What is Mr. Cowie's branch?—A. He is General Inspector of pickled fish under the new Act, and is in direct charge of that particular work.

Mr. LOGGIE.—I have heard some people make the remark that when they followed Mr. Cowie's instructions they got into trouble, but after some experience they got a formula of their own and now they are successful.

Mr. SINCLAIR.—I have not the slighest doubt but that Mr. Cowie put the Scotch herring business back ten years by his operations on the coast.

Mr. MCCURDY.—We will have a chance to examine him here.

APPENDIX No. 3

By Mr. Sinclair:

Q. Mr. Found, there is one thing that has struck me in this examination, and that is the apparent want of co-operation between the Naval Service Department and the Railway Department. There does not seem to be unison to promote this business. For example, the freight rates were raised on smaller shipments to short distances in the east in 1912. The refrigerator car was discontinued on the Maritime express, as you say, last year. The minimum quantity of a carload lot was raised from 20,000 to 24,000 pounds, and the departments do not seem to have got together. What do you say about that? Do they meet with one another and talk these matters over? Have you anything to do with the railway people?—A. No, sir. We have had agreements with the railway people as to the best methods of developing the fish trade, and I have found a warm spirit of co-operation.

Q. When these things are done, I would expect you to go to the Railway Department and throw rocks at them, or do something to straighten them out. Did you have any controversy with them about it?

The CHAIRMAN.—That is a matter that the Minister—

A. I could not well answer questions of that kind.

Mr. STEWART (Lunenburg).—It is not a fair question.

Mr. SINCLAIR.—I think it is. When a change is contemplated by the Railway Department that affects the fresh fish shipments, would it not be a proper thing to notify the Fisheries Department and get their views before doing anything of that kind? Surely it would.

By Mr. Loggie:

Q. Would it be in order for me to ask, are the Government considering discontinuing paying one-third of the express charges?—A. It would be proper to ask it, but I cannot answer it.

Witness discharged.

Mr. J. A. STANFORD called, sworn and examined.

By the Chairman:

Q. You are in the retail fish business in Montreal?—A. That is a branch of our business, yes.

Q. Do you do a pretty large business in that line?—A. Yes, between six and seven thousand pounds a week.

Q. How long have you been engaged in that business?—A. Nine years.

Q. Can you tell what the shrinkage in the weight of the fish is between the time of its being taken, we will say, from the trade, and the time when it reaches the retailer?—A. I have not got much knowledge of that, but I know what the shrinkage is from the time we buy it.

Q. What is the shrinkage from the time it reaches the retailer?—A. About 10 per cent. On a close average of say 300 pounds we figure on losing about 30 pounds of that.

Q. That is the shrinkage after you get it on your premises?—A. It shrinks again after that. It depends on how long we keep it; perhaps 5 per cent shrinkage again.

Q. Is there a loss, by reason of deterioration in the quality of the fish?—A. Oh, yes, we often have to dispose of some that is not acceptable.

Q. What percentage would that be?—A. Another 5 per cent.

Q. Your store is pretty well equipped with refrigeration?—A. At the present time it is.

Q. At a place where there is not proper equipment, what would be the loss?—A. In summer time 25 per cent easily if they have not proper fish accommodation.

Q. It has to go to waste, or a fish not fit for food is being sold to the people?—A. If you do that you hurt your fish business. We would rather throw it away than sell it if it is not right.

Q. The consumer, in the end, has to pay for that loss?—A. Naturally, we have to add that to our cost.

Q. Can you tell us the reason for the great spread in the price between the price paid by the wholesaler and that which is paid by the consumer?—A. The cost of handling that fish is the main point.

Q. What are those costs?—A. Help and delivery principally. It costs 6 cents a parcel to deliver.

Q. What weight is the average parcel?—A. In fish the average is about, say, a four-pound fish, that is haddock; they run from three to five pounds, but the average is four pounds.

By Mr. McCurdy:

Q. If the purchaser came to your shop and carried the fish home himself, could he buy it for 6 cents less?—A. If we could arrange to do it that way, it would be very nice. But we have to charge all customers the same.

By Mr. Stewart (Lunenburg):

Q. You do not have the two retail prices, one over the counter and one at the home?—A. That is beyond our possibility. We cannot do that; you have to average them all. But we are working that up all the time. We close our books every month. We are trying now to work out the cost of each department, so in that way we would be able to find out.

By the Chairman:

Q. It costs you now between one and a quarter and one and a half cents a pound to deliver fish?—A. Between one and a half and two cents.

Q. What is the profit per pound, if you do not mind?—A. It would depend on the time of the year. At certain times we buy fish pretty reasonably. Now we buy at 6 cents per pound, the original price, without taking off the shrinkage.

Q. At what price do you sell?—A. Seven to nine cents. We have specials every day. This week, for instance, we sell haddock at seven cents, practically at cost price.

Q. Are you selling it at seven cents now?—A. This week, Mondays and Wednesdays.

Q. Is it frozen?—A. Oh, fresh fish. We do not handle any frozen if we can help. The only fish we sell frozen is lake fish, because we cannot get anything else.

By Mr. Kyte:

Q. Where do you get your haddock at this season of the year?—A. If we cannot get it from Eastern Canadian points, we get it from Boston. When we import haddock from Boston we often sell it for less than it costs us; we do not like to vary the price.

Q. Do you get considerable quantities at this season of the year?—A. We generally do. The past season is one of the best we have had, and the amount we required was very large.

Q. One of the witnesses called here said absolutely that none of the fish sold in Montreal was imported from Boston. That is not true?—A. No. We have imported from Boston at least three days a week.

Q. I think it was Mr. Brittain who made that statement?—A. Well, we have imported three times a week at least from Boston, sometimes oftener.

Q. Are you getting any from Nova Scotia at this season of the year?—A. Yes. We had 17 cases come in on Tuesday morning.

Q. From what point, from Halifax?—A. From Halifax or somewhere down in that district.

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Q. Do you get any fish from Canso or Mulgrave?—A. We got some from Canso also.

Q. At this season of the year?—A. Yes.

Q. How does the quantity you import from Boston at this season of the year compare with what you get from Nova Scotia? Do you get very much from Boston? —A. No, the quantity is very small compared with what we get from Eastern Canadian sources. The only time we buy large quantities from Boston is when it is absolutely impossible to get any on the Canadian market. We have to import large quantities from Boston then.

Q. What season of the year?—A. About this time, February and the beginning of March.

Q. Cannot you get delivery from Nova Scotia?—A. We cannot get our supply from there.

By the Chairman:

Q. What is that due to?—A. Storms and bad weather.

Q. Taking a range of years, is the amount of fish which has to be imported from the United States increasing or decreasing?—A. I would say that it is decreasing.

Q. Does that mean there is less consumption of fish in your centre, or that there is a larger consumption of Canadian fish?—A. There is a larger consumption of Canadian fish. The consumption of fish certainly must be increasing.

Q. You say it is increasing?—A. Yes, it is increasing.

Q. And has anything been done to push the business?—A. Not very much.

Q. What do you think could be done to promote a larger consumption of Canadian fish?—A. If people were only educated into eating fish it would mean a much larger consumption. In Montreal the people eat fish, on Friday particularly, because it is almost a matter of compulsion; but if the question were taken up and the people shown what a nutritious food fish is and the palatable forms in which it can be prepared, there is no doubt that its use would become very much more common. People should be taught how to prepare fish for the table and to use it as they would meat

By Mr. Sinclair:

Q. Do you dress the fish yourselves?—A. Yes, we fillet it.

Q. So that the housewife has nothing to do but to cook it?—A. Absolutely, we go extensively into that.

Q. Is that a common thing among the retail dealers, to prepare the fish for cooking? —A. No, it is not. A competent man is needed for that work. It requires an expert; a qualified man especially is needed for that department.

By Mr. Kyte:

Q. Is the class of fish which you sell at 7 cents a pound prepared for cooking?— A. Yes. After it is prepared at our place by a competent man it shrinks just 50 per cent. That is if you take a haddock weighing at first 5 pounds, it will yield after being dressed, 2½ pounds of meat.

By Mr. McCurdy:

Q. Do you buy the fish with the heads on?—A. With the heads on and everything.

Q. Just as they come from the water?—A. No, opened.

By Mr. Kyte:

Q. Do you get any fish from the United States in the summer season?—A. Yes.

Q. In what condition is the Nova Scotia fish when you receive it as compared with the condition of the fish you receive from Boston?—A. Well, of course from Boston is a shorter run, it is just overnight, and they are very competent there as to the way they put the fish up; they put an awful lot of ice in their packages.

MR. J. S. STANFORD.

Q. Does the Boston fish get a better price?—A. Not a better price, but we get a very fresh fish.

Q. Then the Boston fish is received in a better condition?—A. In a better condition.

By Mr. Loggie:

Q. Then what the Canadian fisherman is up against is to get his fish into the Canadian markets in good condition.—A. I do not know whether transportation is the difficulty, or not, but the fish we get from Eastern Canada in the summer-time is not as nice as the Boston fish.

By Mr. Kyte:

Q. As a matter of fact fish begins to deteriorate the moment it is taken out of the water?—A. Yes, if it is not properly taken care of.

By Mr. Stewart (Lunenburg):

Q. Do you buy all your fish from the Montreal wholesalers?—A. Very little.

Q. Do you make your purchases directly from the traders at the coast?—A. We do as much as possible.

Q. Is there any necessity then for the wholesaler of fish at Montreal?—A. Yes. There is the supplying of the small dealers. You see the small dealers only handle the fish on Friday.

By Mr. McCurdy:

Q. Instead of there being a number of small dealers, is it more in the interest of the consumer to have a large emporium such as you yourself conduct?—A. No, I think it is an advantage to the fish business to have distributors in different towns, otherwise the smaller dealers would not be able to get their supply, or a varied supply.

Q. Are these small shops equipped for keeping fish in a good state?—A. No, they are not.

By the Chairman:

Q. Do you think it would be beneficial to have a model fish market so that the small dealers might see how to preserve the fish?—A. I think that would certainly be all right.

Q. If you display fish attractively and at the same time protect it against heat and flies and other drawbacks, it benefits the trade, does it not?—A. Yes, that has been our experience.

Q. What is the nature of your plant?—A. We formerly had a large tank containing about 4 inches of ice. We laid our fish on top of that tank during the warm weather and kept cracked ice on it all the time.

Q. What system have you got now?—A. Now we have coils in our tank, to keep the ice from melting and at the same time to give a certain amount of cold air to preserve the fish.

Q. Do you think one of these glass cases fitted up with refrigeration would be useful?—A. I don't think they are practicable.

Q. Have you ever tried them?—A. All ours are open; we do not think the closed cases are practicable.

Q. They use the glass case in the United States, do they not?—A. I have not seen it.

Q. My information is that they do and that it is very satisfactory.—A. Probably in small stores.

Q. I am referring to small stores.—A. I guess it would be.

By Mr. Stewart (Lunenburg):

Q. Is there any demand at all in Montreal for lake fish?—A. Yes, we sell quite a lot of lake fish in the summer-time.

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Q. In equal proportion to sea-coast fish?—A. Oh, no. Haddock, cod and halibut are the principal fish.

Q. One witness said here the other day that there was practically no lake fish sold in Montreal?—A. There is quite a lot of lake fish sold.

Q. Then the statement of that witness is not in line with your experience?—A. Not as far as my experience goes.

Q. Has the season anything to do with it?—A. Yes, the supply has of course.

Q. Do you sell more fish in winter?—A. We sell more when we can get it fresh.

By Mr. Kyte:

Q. Do you get lake fish in better condition than the fish from Nova Scotia?—A. We get lake fish in very good condition, that is from certain points.

Q. Would you say you get the lake fish in better condition than the fish from Nova Scotia?—A. Yes, if you take it all round I would say so. It is very seldom we have to complain about lake fish, that is from our source of supply.

Q. Do you get it in a shorter time than from Nova Scotia?—A. That must be the case. The fish are just stiff when we get them.

By Mr. Stewart (Lunenburg):

Q. Where do you buy the most of your lake fish?—A. From Sarnia, the Bowman people.

Q. Principally from lake Erie?—A. Principally from lake Erie.

By Mr. Sinclair:

Q. Whitefish?—A. Whitefish, doré and salmon trout.

By Mr. Kyte:

Q. That source of supply is as far from Montreal as Halifax?—A. Yes, it is quite a distance.

Q. It should not take any longer to get fish from Halifax to Montreal than from Sarnia to Montreal?—No.

Q. You say the fish you get from Sarnia is in better condition than the fish you get from Halifax?—A. It is.

By Mr. Stewart (Lunenburg):

Q. To what would you say this better preservation of the fish is due?—A. When they come in large quantities we always get a better fish. If the shipment is small it is not in such good condition when it arrives.

Q. That is coming from the coast?—A. Yes, from the coast. I think that must be the coast. If there is a lot of fish there is lots of ice, which makes it cooler in the car. If there is only a small quantity of fish, it must be affected by the heat.

Q. Is the flesh of the lake fish harder when you receive it than the flesh of the coast fish?—A. The flesh of the lake fish is better, it is perfectly hard.

By Mr. Copp:

Q. When the quantities are small you do not get the lake fish in better condition?—A. No, we do not get it as good coming in small quantities. If the fish is shipped to us in large quantities it gets to us in better condition.

By Mr. Sinclair:

Q. Then the difficulty is in the express service?—A. It must be in the express service.

Q. Not in the freight service?—A. The freight service is better, if you could get the shipment on time. We get better fish by freight than we do by express if it would only come on time.

By the Chairman:

Q. How do you explain that?—A. The freight car is cool, there is no heat at all; but we cannot depend upon it arriving on time. We brought in yesterday 17 cases by express because we could not depend on the freight.

Q. You mean that you have to utilize the express, although it costs you more and the fish does not arrive in as good condition as when carried by freight, in order to supply your customers regularly? For this reason you are forced to use the express? —A. We are forced to use the express.

By Mr. Stewart (Lunenburg):

Q. In Montreal the demand for fish at the present time is supplied from two sources, from the sea-coast and from the inland lakes?—A. Yes, but the two sources do not really compete, there is a difference in price.

Q. What is the difference in price?—A. For instance, the lake fish retails at 15 cents, the other retails at from seven to nine cents.

By Mr. Sinclair:

Q. Is the business expanding?—A. It is as far as we are concerned.

Q. Can you give us an idea as to what the expansion of business has been in the last five years from your experience?—A. In the last five years we have doubled our fish business.

Q. Do you think that experience is general?—A. I could not say.

By the Chairman:

Q. Do you think it would be feasible to sub-divide an express car so that part of it could be used for the carrying of fish?—A. I think it would be, and if so it would be a great help to the fish business.

Q. Have you any suggestions to make in line with the development of the fish business, and increasing the market for fish?—A. If our Canadian people were educated to eating fish it would certainly increase the business, but they really do not know anything about fish. We have questioned some of them and if you mention fish at all, they despise it, and they really do not know why. The most of them think there are only two ways of cooking fish, boiling it or frying it, and they do not even know what is the proper kind of sauce to go with it.

Q. At the last Toronto Exhibition there was a special restaurant at which fish was cooked and distributed under official auspices. Were you there?—A. No, but I heard about it. I heard that it was a success.

Q. You think that if something of that sort could be carried on in the large centres it w uld be beneficial?—A. I am sure it would, I am positive of it.

Q. In what other directions would you educate the people?—A. There are numbers of schools in Montreal that could be taken advantage of. At these schools I do not think they have gone very much into the question of fish as an article of food, although there are quite a number of technical schools where they teach cooking.

By Mr. Stewart (Lunenburg):

Q. Do you eat fish yourself?—A. Quite a lot, although I will say that at home I am about the only one who eats it. I often tell them how nice it is when properly cooked.

By the Chairman:

Q. Do you think much benefit would result if it were taken up at the domestic science schools?—A. Yes, very much.

Q. I have a little circular which has been handed me from a gentleman in Ottawa, issued by the Consumers Fish Company of Gloucester, Massachusetts. This concern, I suppose, is known to you?—A. No, it is not.

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By Mr. Loggie:

Q. That would refer to salt fish probably?—A. We handle very little of that.

By Mr. Stewart (Lunenburg):

Q. You do not handle dried, smoked and salt fish?—A. We do, but except haddies, we do not sell very much in salt fish.

By Mr. Kyte:

Q. Do you handle smoked fish?—A. Yes, haddies and smoked salmon.

By Mr. Sinclair:

Q. Do you handle oysters?—A. Yes, shell fish.

Q. Where do you get them?—A. Principally from Boston at this time of the year; Cape Cod I think.

Q. Do you ever get any oysters from Nova Scotia or Prince Edward Island?—A. Yes, when the season is on, but we do not care to sell the Malpeque oyster after the 1st of January.

Q. What oyster do you find the best?—A. The best oyster to-day for the trade, the one that gives most satisfaction, is the oyster from Cape Cod.

By Mr. Nicholson:

Q. At how much a barrel do they sell?—A. Delivered in Montreal about $8.50.

By the Chairman:

Q. Have you the figures showing the retail price on fish and the price you pay for it, for cod, haddock and halibut?—A. We pay for haddock in Montreal from 4 cents to 6½ cents or 7 cents, according to the seasons of the year and we retail it for 7 to 9 cents.

Q. That is not prepared for the table at all?—A. That is not prepared for the table.

Q. It would be about double that if prepared for the table I suppose?—A. We can prepare it for the table without filleting it, it may be only boned, or only just cleaned, with the scales scraped off and the fins cut out.

By Mr. Sinclair:

Q. What is the price prepared in the best way you know of?—A. Just the same price, but they lose about a half if they have it filleted. Supposing they buy a fish and ask us to fillet that fish; we take the skin off and the bones and fins out and what we deliver to them, or what they take away with them, is only about a half.

Q. Consequently you have to charge 100 per cent more for that?—A. That would not be true in the case of salmon. We do not do salmon that way, it is only the small fish.

Q. Do you ever try flat fish from the Atlantic coast?—A. We cannot get it at all.

Q. You can get it all right but I suppose you want it fresh and not frozen?—A. No, we do not want it frozen.

By the Chairman:

Q. Have you the prices of the different kinds of fish as they ranged during last year?—A. I haven't it here.

Q. Can you furnish it to us?—A. Yes, I can give it to you pretty well for last year.

Q. You have given us the price of haddock, have you not?—A. Yes.

Q. How about cod?—A. Cod we will say is from 6 to 9 cents a pound and we retail it at 12½ to 15, that is trimmed, we take the shoulders and the tail.

By Mr. Loggie:

Q. You are speaking now of steak cod?—A. Yes, the other we do not handle.

By the Chairman:

Q. How about halibut?—A. We pay 9 cents for halibut and retail it at 16.

Q. That is for Pacific Coast halibut?—A. Yes, the eastern halibut we cannot use, they are too large, we do not care for those immense fish.

Q. Do you mean to say that these are the prices all the year round?—A. For that kind of fish, yes.

Q. Notwithstanding the fact that the cost to you varies very much?—A. It varies a lot.

Q. At what season of the year do you make your profit?—A. Whenever we can get it cheap enough. Our retail price is pretty nearly the same all the time. We are paying sometimes more for our fish than we sell it at, but we keep the retail price at about the same.

By the Chairman:

Q. Does the fish department pay?—A. I think so; that is something I cannot say exactly; but we are getting at that now.

By Mr. Kyte:

Q. Do you handle meats as well?—A. Meats, vegetables, cooked meats and provisions.

Q. Has the retail price of meats gone up in the last five years?—A. Yes, it has very much.

Q. What do you say as to the retail prices of fish, has it gone up?—A. The retail price of fish has not gone up in the last five years.

By Mr. Loggie:

Q. The average retail price?—A. The average retail price.

Q. Some species of fish have advanced, of course?—A. I am speaking of the fresh fish, for instance.

By Mr. Kyte:

Q. Notwithstanding the price of meats advancing, the price of fish has not, and you have been increasing your sales of fish?—A. We have increased sales, but not price.

Q. Is the increased sale of your fish due to some extent to the fact that your prices are also relative?—A. Particularly with people who are educated to eat fish. For instance, people coming from the Old Country, all the Old Country people use more fish than they ever did.

Q. It is the native Canadian who does not?—A. He does not, no.

By Mr. Sinclair:

Q. I think you said that you did not handle frozen fish?—A. Only what we cannot help.

Q. Why?—A. Because the customers do not like it so well.

Q. Does fish depreciate much when you freeze it?—A. It does very much. We cannot recommend frozen fish as well as fresh, the flavour will not be the same. We will sell frozen halibut at, say, 15 cents or 14 cents a pound, and we will sell fresh halibut, that we will bring on from Boston, at 25 cents, and we will sell more of that.

By the Chairman:

Q. Has the price which you are paying for fish advanced in the last five years?—A. Very little.

Q. It costs more now?—A. A little bit more, but we get better fish. Six months ago—

Q. Three months ago?—A. It costs much more now than three months ago.

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By Mr. Kyte:

Q. Taking one season with the other, the price of fish has not gone up very much in the last five years?—A. Not very much.

By the Chairman:

Q. At the present time is the price abnormally high at the seaboard?—A. It is. That is due to the difficulty of catching fish.

By Mr. Loggie:

Q. What is the express rate from Portland and Boston to Montreal?—A. Eighty cents a hundred from Portland, and $1.20 from Boston.

Q. Portland is quite a distributing centre?—A. I think so, but it does not count to-day hardly anything, because from Portland the only thing we get is lobsters, and we have not had to do that this year.

Q. Are you getting Nova Scotia lobsters now?—A. Yes.

Q. The express rate from Halifax is one cent a pound?—A. Yes, a cent.

By Mr. Kyte:

Q. As compared with what from Boston?—A. $1.20 per 100 pounds.

Q. Is it higher from Boston?—A. Yes.

By Mr. Sinclair:

Q. Does that include the ice in the boxes?—A. It does.

Q. You have to pay on the box and the ice as well as the fish?—A. I think they add 20 per cent on.

By Mr. Loggie:

Q. Twenty per cent does not cover a box and ice. I do not know what they do out of Boston. Do you not pay on the gross weight?—A. I think they add 20 per cent on.

By Mr. McCurdy:

Q. Do you pay for the cases?—A. Everything from Boston comes in barrels instead of cases.

By Mr. Sinclair:

Q. Is it the same 20 per cent on the box and ice?—A. I do not think so.

By Mr. McCurdy:

Q. About oysters, did I understand you to say that the Cape Cod is the best oyster on the market to-day?—A. To-day.

Q. Do you mean to say that it is more satisfactory for the dealer to handle, or a higher quality oyster?—A. It is more satisfactory for the dealer, as they are more even, a nice shape, and beautiful flavour. In October, November and December the Malpeque is the best flavoured there is.

Q. What do you give for the Malpeque?—A. As high as $15 a barrel.

Q. They are the highest priced oyster?—A. They are.

Q. Are they the finest oyster?—A. They are, but it is so hard to get them real good. They do not demand them now as much as they used to.

By Mr. Sinclair:

Q. You are not sure about your statement of a minute ago, are you?—Of course the comparison of freight rates is of no service unless we know that the boxes and the ice are charged for the same in both places.—A. In both places? I am not quite sure. I am under the impression that from Halifax it is net weight, but I may be mistaken.

The CHAIRMAN: Mr. Found knows, I think he had better put the information on the record.

MR. FOUND: I think you will find that from the United States it is on the net weight plus a percentage. A charge is made also for the package.

By Mr. Stewart (Lunenburg):

Q. What is it from intermediate points to Montreal and Toronto? Is it the net weight, or plus 20 per cent?—A. The representation to us is that it is on the net weight.

By the Chairman:

Q. Is there any further statement you would like to make to the committee?—A. Nothing further than that if something were done to educate the people to use fish I think it would help us to reduce its price.

By Mr. Kyte:

Q. Do you handle mackerel?—A. Yes, we handle mackerel.

Q. Where do you get your mackerel?—A. Quite a bit from Mr. Loggie.

By Mr. McCurdy:

Q. Can you tell us what steps the dealers themselves are taking to educate the public in the eating of fish?—A. The Fisheries' Association is certainly going ahead in that direction. They have had articles written and published through the press and adopted other means to try to educate the people to use more fish.

Q. That association is of very recent origin?—A. Yes, it has been only a little over a year in existence.

By the Chairman:

Q. What do you think the Naval Service Department can do along that line?—A. If they had a model kitchen somewhere, or restaurant of some kind, and promoted cooking schools, it would be a proper thing.

By Mr. Kyte:

Q. And buy fish from you?—A. I would be very glad to sell fish at any time.

By Mr. McCurdy:

Q. Did I understand you to say that as a general rule the small shops are not properly equipped for handling fish?—A. For handling fish? No, they are not.

Q. Is it not a prime necessity that fish be kept in good condition?—A. Yes, it is.

Q. That being the case, did I understand you to say it was against the interests of the development of the sale of fish that it should be distributed through these small shops, or would it be better in large cities to have a large emporium properly equipped. where fish could always be had in prime condition?—A. There is no doubt there will always be a larger sale when the fish is properly kept. You will find that if a man goes to the trouble of getting a proper place and equipping it with everything necessary for keeping fish in good condition, his sales will increase a lot.

Q. Now, for instance, I have noticed that the large packing houses have their own shops for distributing in the large centres?—A. Yes.

Q. If some plan like that could be adopted in the fish trade would it not facilitate the sale of fish and the development of the industry?—A. It certainly would. I think the large distributors have proper plant and facilities for handling the fish. Take for instance the firms of Leonard Bros., and D. Hatton & Company of Montreal. With plants that are up to date and properly equipped, the fish reaches the retailers in much better condition now than it used to a few years ago for the reason that when it is held in cold storage it keeps much better and is delivered to the retailer in better condition.

Witness discharged.

Committee adjourned.

APPENDIX No. 3

HOUSE OF COMMONS,
COMMITTEE ROOM, No. 301,
MONDAY, February, 28, 1916.

The Committee met at 11 o'clock, a.m., Mr. Jameson presiding.

Mr. JOHN PULLEN, called, sworn and examined.

By the Chairman:

Q. What is your official position?—A. I am president of the Canadian Express Company.

Q. How long have you been president of that Company?—A. About four years.

Q. Were you associated with it before that time?—A. Not with the Express Company.

Q. In what capacity did you serve before that time?—A. I was an officer of the Freight Traffic Department of the Grand Trunk Railway.

Q. Then you understand traffic both from the freight end and from the express point of view?—A. Something of it, yes.

Q. Can you tell the Committee what quantity of fish was carried from the Atlantic coast to Montreal by your Company in 1907, and what were the earnings thereon?—A. No, I am afraid I could not, Mr. Jameson.

Q. Can you give that information for the year 1915?—A. No, I think not. In the first place, we do not make out any special statements covering our fish traffic as distinguished from any other class of traffic, nor the earnings thereon. I might perhaps give you some figures that would give you an indication of the growth of the business, if that is what you want.

Q. We will take that up in a minute. Are more cars, more express messengers, and more terminal equipment needed now than in 1907, on account of the increased shipments of fish?—A. I could not say. Not knowing what the figures were for 1907 I could not definitely answer that question.

Q. You know that the quantity of fish carried has increased?—A. In a general way.

Q. Then you have been obliged to increase your staff in consequence?—A. For the handling of the general express business the staff and the wagon equipment at the centres have been very materially increased.

Q. You cannot say whether any of that increase was occasioned by the increase in the shipments of fish?—A. No.

Q. You are not prepared to say what the earnings were on your fish traffic?—A. No, sir.

Q. Then you do not know whether that has been a paying branch of your business or not?—A. It has never been separated, so I could not say.

Q. Consequently you are not in a position to say whether, having regard to the growth of the business, the producers and shippers are not entitled to a reduction in rates?—A. No.

Q. Why is there no carload lot rate on fish from the Atlantic coast?—A. In the first place because fish is not shipped by express in carload lot quantities.

Q. If it were shipped in carload lot quantities, would your Company be willing to make carload lot rates?—A. That is a matter to which we would be quite willing to give some consideration, but speaking off-hand, I should say that the present rates are the equivalent of any possible carload lot rates.

Q. Of course that is a point upon which those in the fishing business differ somewhat from your point of view?—A. Undoubtedly.

Q. Would you be in a position to state what would be a fair carload lot rate from Halifax to Montreal?—A. I think that the present rate is a reasonable carload lot rate.

Q. You think that the less than carload lot rate is as reasonable as the carload lot rate?—A. The present rate of $1.50 per 100 pounds, is a rate for any quantity, whether carloads or less.

Q. Does your Company desire to see the fish business increase?—A. Certainly, we are interested in the developing of the fish business.

Q. You know, of course, the transportation and distribution of fish is really the great feature in connection with the development of the industry?—A. It is conceded to be an important feature, but as to the relation which the cost of transportation has to the price of the fish, it is a very minor fact.

Q. Does it not cost you relatively more to handle less than carload lot quantities than carload lots?—A. It depends upon what handling is required of the Company. At the present time we are required to handle and deliver by our wagons. If we handled in carload lot quantities, and the condition of the carload lot rate required the consignee to do the cartage and the handling, it would make a material difference in our expenses.

Q. Why will the Company not operate a car that might be opened in transit at least at two points, before reaching destination, as is done on several United States roads?—A. As to the practice of the United States, the Committee ought to be informed that the carload lots forwarded there are at least 20,000 pounds. There are no such carload shipments here from the Eastern coast, and therefore there is no comparison at all between the commercial demand or the service required of the Express Company.

Mr. FOUND: Could the opening of a car in transit not be allowed at points between Prince Rupert and the East?

The WITNESS: It is a practice we consider is not in the interest of the Express Companies for the reasons that we have two rates from Prince Rupert—a carload rate, which might be referred to as the wholesale rate, and a less than carload rate which might be referred to as the retail rate. If the opening of the car at one or more points was permitted, the effect would be to defeat the application of the less than carload rate, or retail rate, and give the shipper the benefit on retail transactions of the wholesale express rate. I have tried to put that in commercial language as far as possible.

Mr. FOUND: A moment ago your statement was that there was really no comparison between the United States practices and the conditions in Canada. In the line that we are now discussing, they are undoubtedly parallel as to carload rates and less than carload rates. For instance, such companies as the Northern Express Company, the Wells-Fargo and American Express Companies, all operating from the West, have all given the benefit in transit at least at two points in a direct line, notwithstanding they have the carload rate, the charge being the carload rate to the nearest point, plus $5 for the time of opening.

The CHAIRMAN: What is the carload quantity, Mr. Found?

Mr. FOUND: 20,000 pounds in the West.

The CHAIRMAN: What is it in the East?

Mr. FOUND: There is none at the present time.

By the Chairman:

Q. What was the point you were endeavouring to make, Mr. Pullen, when you said there was a difference between the carload quantities here and in the United States?—A. There is some difference in the carload rate and the carload quantity from the Pacific Coast compared with the Eastern Coast, where there are no carload shipments made by express.

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Q. If there were carload shipments, would the Express Companies be willing to meet the traffic by making carload lot rates?—A. The Express Companies would be perfectly willing to give the matter consideration, but as I stated a few moments ago, at the present time they are of the opinion that the present rate, which applies to any quantity is a fair rate even for carloads, and I should be glad to give the Committee some statistics on that point.

Q. The real objection then lies, on the part of your company, to operating a car which can be opened in transit at one or two points before reaching its destination for the purpose of putting down fish?—A. It would depend altogether on the rate charged.

Q. Do I understand that the company, which you tell us is not in a position to say how much is earned on this business, is therefore not in a position to say whether it would wish to vary its rates under any circumstances?—A. I do not quite catch the meaning of your question.

Q. You have stated that you are not aware what the profits are on this particular class of business?—A. I have said I do not know what the separate earnings are.

Q. Well we will presume that there are profits on the business, that you do not carry it at a loss. In view of the fact that the company does not know what the earnings on this business are, how is it that the company is in a position to say that it cannot give a better rate?—A. I am perfectly willing to say that the company should give the matter further consideration.

By Mr. Sinclair:

Q. You do not mean to say that your books do not show what quantity of fish was carried by your company from Eastern Canada to Montreal during the year?—A. We have no separate statistics on that point. We do not, as a matter of fact, separate the various articles we carry.

Q. You haven't that information separated, but you could get it?—A. We have the original way bills for several years, but not many years, and it would be a considerable task to go over each way bill and pick out the quantities of fish carried, from the millions of way bills covering all our business. It would be necessary to do that in order to pick out the fish traffic. I assumed that what your Chairman asked was whether or not there has been any substantial growth in the fish traffic in the last few years. In the absence of any definite figures on that point, I have some figures I shall be glad to put before the Committee in regard to the tendency of business along those lines.

By the Chairman:

Q. Are these statistics taken from your books?—A. Yes, and can be confirmed from the books in the Fisheries Department here in Ottawa.

Q. Have you these statistics in a tabulated form so that they can be put in the record?—A. Yes, and I think it would be helpful to the Committee to have the information.

Q. Before you read those statistics let me ask you this question, would it not be of advantage to the Express Company to have shipments of fish coming forward in carload lots so that a special messenger would not be required to be in charge?—A Undoubtedly.

Q. If that be so, why would not the Company encourage such shipments by giving suitable carload lot rates and lowering the minimum to 15,000 lbs. instead of 20,000 lbs.?—A. The Express Companies have, we think, given considerable assistance for carrying fish. An arrangement has been entered into with the Department of Marine and Fisheries some years ago under which we actually reduced the minimum of a carload from 20,000 to 10,000 lbs. under certain guarantees for 10,000 lbs. made by the Department of Marine and Fisheries.

Q. And those guarantees, of course, have been lived up to?—A. Oh yes.

Q. But I am speaking now of the carload lot rate. I ask you whether it would not be possible to arrange a carload rate and to drop the quantity constituting a carload to 15,000 pounds as compared with 20,000 pounds?—A. It has already been dropped to 10,000 pounds.

Q. I understand that is only in connection with a certain arrangement that the department has made?—A. That is true, yes.

Q. But if the department were to withdraw that assistance would the same rule with regard to a carload apply?—A. As to quantity, do you mean?

Q. Yes. I think the transportation company would be entitled to a reasonable minimum quantity in the car if hauling it on fast passenger trains. Whether that would be 15,000 pounds or 10,000 pounds would depend to a large extent upon the revenue from the service, the total revenue from the transaction.

Q. But why would it be raised from 10,000 to 15,000 pounds if the people were paying the full amount of the express charge instead of the Government paying one third?—A. It would not matter who paid it so long as the revenue was satisfactory to the Express Company.

Q. But you are not able to say what was a suitable or satisfactory revenue because you have not been able to divide up the business?—A. We have the benefit of the experience of carrying the traffic, and the transportation officials would have some judgment on these things. We have spent a lifetime in studying up rates and there is no particular basis for the fish trade except by comparison with other rates.

Q. Is it not a fact that those who are in charge of these companies are supposed to make them pay?—A. I should hope so, yes.

Q. And, as a matter of fact, is it not the business of those who are directing them to exact the utmost farthing that the traffic will stand?—A. No sir,

Q. Well, now will you give us the statistics that you have?—A. This is a statement prepared by the Canadian Express Company showing the rebates collected from the Government on fish shipments from the east, and the rebates collected from the Government on fish shipments from the west. The rebate on the shipments from the east are for the years from 1909 to 1915, inclusive and from the west for 1914 and 1915. In 1909 the Government refunded to the Express Companies on fish shipments from the eastern coast, being one third of the express charges on less than carload shipments of fish, $4,907; in 1910, $7,642; in 1911, $8,490; in 1912, $12,682; in 1913, $9,852; in 1914, $5,117; and in 1915, $6,819.

By Mr. Kyte:

Q. Will you please explain why it is that there was such a drop in 1913, 14 and 15?—A. Up till 1912 the Canadian Express Company was the only express company operating on the Intercolonial Railway. and therefore that company carried 100 per cent of the traffic by fast express on the Intercolonial Railway. At that time the arrangement was made by the Dominion Government Railways to instal the Dominion Express Company on their railways so that since that date there have been two companies carrying the traffic.

Q. Then the statistics you have given do not indicate that the business was dropping to the extent it would appear from those figures?—A. Not necessarily. You will have to get the shipments by the Dominion Express Company in order to get the total shipments. From the West the rebates collected from the Government on fish shipments in 1914 was $495, and in 1915 it was $15,108.

By Mr. Sinclair:

Q. Why did you not give the statistics for the earlier years?—A. Because 1914 was the opening of the Grand Trunk Pacific, when the Canadian Express Company first began to move fish from Prince Rupert and then only late in the year. The business had only just started.

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By Mr. Kyte:

Q. And this refers to shipments from Prince Rupert alone?—A. Yes. Mr. Found suggests that I might explain to the Committee that this rebate applies only to what is known as less than carload lots.

By Mr. Sinclair:

Q. So that these statistics do not give us any information about carload lots?—A. Inasmuch as there were no carload lots from the Atlantic coast. But these figures would at least indicate the growth of the fish traffic.

Q. But from the West there were carload lots?—A. Yes.

By Mr. Copp:

Q. There are no carload lots in the East at all?—A. No, sir.

By Mr. Chisholm (Inverness):

Q. Does that $15,000 cover the whole quantity of fish from the West?—A. Only carried by the Canadian Express Company from Prince Rupert. There are other shipments carried by the Dominion Express Company from Vancouver.

Q. Does the Dominion Express Company operate in the West now?—A. Yes, sir.

By Mr. Kyte:

Q. I am not quite sure that I know the purport of those figures. Do they indicate the amount collected by your company for carrying fish?—A. No, the amount refunded by the Government to the Express Company, being one-third the total charges. If these figures are multiplied by three it would indicate the total freight, and therefore the gradual growth of the business. That is as near as I have any statistics bearing on the development of the traffic.

Q. The figures with reference to the western business indicate your earnings?—A. No, there are also less than carload shipments from the Pacific.

Mr. CHISHOLM (Inverness): Your figures are only over one line.

By Mr. Sinclair:

Q. Can you tell me, Mr. Pullen, how much it costs to haul a refrigerator car per mile on a railway?—A. No, sir, I have no information on that. That information would have to be obtained from some of the transportation officers of the railway proper.

Q. The Chairman asked you a very pertinent question as to the possibility of reducing the quantity in a carload lot. Is 20,000 pounds what you regard as a carload lot?—A. That is what we require as the standard minimum quantity.

Q. If there were carload lots you would call it 20,000 pounds?—A. That is the minimum weight on carload shipments from the Pacific Coast.

Q. The reason I ask that is, that I understand the quantity has been raised from 20,000 to 24,000 pounds by the C.P.R. and the Intercolonial?—A. That may be true as to movement by freight, but has no connection whatever with the express movement.

Q. If the quantity is 20,000 pounds, at $1.50 per 100 the earnings would be $300, would they not?—A. Yes.

Q. That is a pretty profitable rate, is it not?—A. You want to bear in mind the long distance these passenger trains have to run.

By Mr. Kyte:

Q. What is the full capacity of an express car?—A. The carrying capacity of a modern express car is 60,000 pounds. I do not mean to say you could get 60,000 pounds of fish into a car without loading it up to the roof.

By Mr. Sinclair:

Q. I think the facilities granted by the company are quite as important as the rate. What have the company done to improve their facilities? We were told the other day by certain dealers that small packages of fish in boxes with ice are thrown into a heated car, and by the time they arrive in Montreal the ice has all gone and the fish deteriorates accordingly. Has the company ever considered the importance of that phase of the business?—A. Oh, yes. But, of course, the Express Company is engaged in handling all sorts and all varieties of freight, packages of various kinds, some of it perishable, and some of it not; some perishable due to frost, and some perishable due to heat; and it would be almost an impossibility to design the kind of car that will adequately protect all kinds of property in which our messengers, who are entrusted with the custody of a lot of very valuable packages, and sometimes large sums of money, could also ride. You cannot expect a messenger to ride in a refrigerator car, for example, and you could not load fresh flowers and carry them in a refrigerator car.

Q. Could you have a cold room?—A. It may be possible to have a cold room in a car, but what would you do with your other express matter?

Q. Put it in the warm room.—A. There is not room enough in the warm room.

Q. How long is a car?—A. Sixty feet.

Q. Why could you not partition off a portion of it?—A. The rest of the car would not be large enough to take care of our business without having to overflow.

Q. You have too much business?—A. You want a refrigerator express car; that is what you want.

Q. You say they cannot take the overflow?—A. They would not need to.

Q. I am talking now of parcels, of small lots?—A. It may be a mechanical possibility to provide such a car, but on that point I would not venture to express an opinion because that would have to be given by the car builders. It might be possible to construct a car with one portion of it devoid of heating apparatus or steam pipes.

Q. The steamers are very careful to construct a hold for perishable products, where there are no heating pipes, and where it is comparatively cold?—A. I have no doubt it is quite possible, but it would not be practicable, because we would not have room to take care of our other express matter in the same car. That is the objection we would have.

By Mr. Chisholm (Inverness):

Q. If you could estimate the average amount of fish sent over your line, could you not apportion a car for fish?—A. Sometimes our cars are really filled up to the roof with ordinary express matter.

By the Chairman:

Q. When that occurs there would be no room for fish?—A. A separate car would have to be put on.

Q. That is the point Mr. Sinclair has been making. Would it not be reasonable to have a certain portion of the car set off for perishable goods, of which fish is one variety?—A. I think the railway companies would object to running a car and a half when one car would do. You have to take into consideration the returning movement. The car has to go back, it goes back empty. It does not take back fish.

Q. Supposing you had a car made up in this manner, with the refrigerator portion only half full?—A. You would have to put on a second car to take care of the express matter.

Q. And the same situation confronts you, the car has to be returned too?—A. There probably would not be an overflow from one car if there were no separate partition for the fish.

Q. When you have more than you can carry, part of the express matter must be held up and deferred until a future occasion?—A. There has been an overflow car pro-

vided for general express matter at certain seasons of the year when the business is running heavy, and there is too much for one car.

Q. How is that car taken back again, is it necessarily loaded on its return?—A. Not always.

Q. Yet we are dealing with the very situation which prevails, when I asked you to make a compartment in the car?—A. I was going to suggest, if you want an expression of opinion, that the service which the Department of Marine and Fisheries established two or three years ago was along the right lines. At that time, with the co-operation of the express companies and the railway companies, the department arranged that there should be run, once a week, an express refrigerator car for this fish. The car was started at Mulgrave. Shipments were also made from Halifax, and the fish from both districts were consolidated in the one car at Truro.

Q. Once a week?—A. Yes. The car ran through to Montreal under a guaranteed minimum of 10,000 pounds by the department. The first year it seemed to work out very well. As near as I recollect, there were very few days or weeks when that car did not carry approximately 10,000 pounds. Sometimes it ran heavier, sometimes slightly less. The service was also continued the second year, but in the second year, my recollection of the figures is—and I have some figures here on that—that the average loading per car, or per week, was not as heavy as the first year.

Q. You are talking about freight or express?—A. Express only.

By the Chairman:

Q. Refrigerator express?—A. Yes, under arrangement made with the Department of Marine and Fisheries.

By Mr. Sinclair:

Q. Did that suggestion come from the department?—A. Yes.

Q. Can you explain how it is that your company has not made any proposals to improve the traffic, or the facilities for carrying perishable products? It is a progressive company?—A. That is a statement that has not quite correctly been made. There has been the heartiest co-operation between our company and the officers of the Marine and Fisheries Department, in providing the best facilities which can be obtained in view of existing conditions. We have not always been able to see eye to eye with the officers of the department with respect to the rates charged.

Q. Who provides the car?—A. The railway company, not the Express Company.

Q. And there is a sufficient number on the Intercolonial?—A. At the present time, so far as I know, yes.

Q. A sufficient number of refrigerator cars, I mean?—A. I think so.

Q. And express cars?—A. I think so.

Q. Are they suitable for hauling a fast express train?—A. Some of the cars which the Intercolonial Railway furnished two or three years ago were not acceptable as to type of construction to the Grand Trunk Railway for carrying on their passenger trains. Their objections were formulated and sent to the management of the railway, but I have never been advised as to whether the railway management has adopted the suggested alterations in the type of car or not. I have no doubt they have.

Q. What were the objections to the car?—A. Well, the objections were really mechanical, technical. I think they had to do with the construction of the trucks under the car. If you want exact information on that point, I can read you a letter written to me by Vice-President Kelly on that subject.

Q. Was it objected that these cars were not safe?—A. That was the company's objection to it, from the standpoint that these cars were not safe to run on our class of trains on the Grand Trunk.

Q. And have any improved cars been provided that you have heard of?—A. I have not heard, Mr. Sinclair. Perhaps Mr. Found will know as to that.

Mr. FOUND: I have no definite information. I understand the I. C. R. arranged for the building of new cars, but whether the cars have been delivered I do not know.

By Mr. Sinclair:

Q. I understand objection was made by the railway people that the putting of refrigerator cars on fast trains was unsafe for the traffic, and I want to find out what that objection amounts to, whether it is a real one or not?—A. Yes, undoubtedly it is a real one, Mr. Sinclair.

By the Chairman:

Q. What is the point in connection with it?—A. The objection.

Q. Yes?—A. Well, perhaps I had better read Mr. Kelly's letter.

Q. Cannot you give us the gist of it?—A. No, I cannot, it is couched in mechanical terms.

The CHAIRMAN: Mr. Sinclair, When you took up this subject with the witness he was going to put on the record a memo. which he had with him. Perhaps we could dispose of that now.

By Mr. Sinclair:

Q. Yes, give us the information regarding the business carried by the refrigerator service car?—A. That is under the arrangement with the Department of Marine and Fisheries made two or three years ago which has been referred to. I have here a statement showing the number of pounds of fish loaded per week, destined for Montreal, and separately the quantity destined to points west of Montreal, and again separately the amounts carried by the Canadian Express Company and by the Dominion Express Company, giving the aggregate in total form. The first statement covers the period from August 9, 1913, to January 31, 1914, or 26 weeks, August 9th being the date on which the first car was run under the arrangement with the department. To Montreal there was carried an average of 1,465 pounds by Canadian Express, and 5,522 pounds by Dominion Express, a total of 6,987 pounds average per week. That is Montreal only. Then, to points west of Montreal, the total average was 6,302 pounds, the two averages together amounting to 13,289 pounds. The significance of that statement is that to Montreal alone the average was less—considerably less—than the 10,000 pound minimum which the Government agreed to protect. But adding to the Montreal traffic, the traffic to points west of Montreal, which would include Toronto, it would bring the average up to 13,289 pounds, or higher than the minimum guaranteed by the Government, so that I think for that period the Government would not have to pay to make good its guarantee except in very few cases. That was for the first year of the operations a period of 26 weeks.

Then I have a second statement, similarly compiled, covering the next succeeding season, beginning with May 30, 1914, and running till January 16, 1915; a period of 34 weeks. That season was a little longer than the other which commenced in August, whereas this statement commences in May. The average to Montreal, without reading all the details, was 5,362 pounds. West of Montreal it was 5,060 pounds, a total to both destinations of 10,422 pounds, the average per week for the season being still above the 10,000 pound minimum guaranteed by the Government, so that I presume there were not many cases even in that period where the Government had to make good its guarantee. But it is a fact that the total average for the second season was less than the total for the first season, indicating that the car system so established by the department with the Railways and Express Companies was not made use of to the same extent in the second season that it was in the first.

Q. How do you explain that?—A. I don't know whether the production of fish had anything to do with it or not, on that point I am not well informed; but I was

informed at the time when the inquiry was made of the reason for it,—that the shippers themselves, instead of holding their fish for this weekly car, preferred to send it forward from day to day as it arrived, and sent it by the ordinary express car without waiting for the other; and to the extent that they did that, of course, it depleted the loading of the weekly car.

Q. Does your statement take any account of fish for the city of Quebec, and points along the Intercolonial, I mean express shipments?—A. As to the city of Quebec, I would not be quite certain, I do not think it does, but in any case the Quebec movement would be comparatively light. It does not include anything for destinations east of Quebec on the Intercolonial.

Q. Are there not considerable shipments from Halifax to local towns between Halifax and Montreal?—A. I would not say there were considerable shipments, Mr. Sinclair.

Q. Express shipments, I mean?—A. I do not think so, not considerable.

Q. You do not know as to that?—A. I have not seen any figures on that point, no, but judging from general information that comes to me that would be my opinion.

By the Chairman:

Q. Having this evidence of the growth of the fish business before you—because although the figures you have given us do not show a growth, at the same time the reason the quantities shipped weekly in this car were less instead of larger at the close of the period it was in operation was because the business had increased and people shipped daily by express cars—having regard to the increase in the business, do you not think that as a further encouragement, it would be well to put on a daily express car and give a minimum of 10,000 pounds?—A. I do not think the business would warrant a railway company carrying a car daily, Mr. Chairman. We have the figures here showing what the average was weekly.

Q. But, as you say, this weekly average was lessening because of the increase in the quantities which were shipped from day to day?—A. Yes, I think so.

Q. In other words, in order to get fish to the consumer in good condition you cannot hold it for an indefinite time, you must send it forward as rapidly as possible. Consequently, the fish which is shipped daily under normal conditions reaches the consumer in a better shape than does the fish which would be shipped weekly. Now, as the appetite for fish increases inland, the business increases, and as the business has now reached the point where it seems to us it is necessary to have better facilities, I ask again whether it is possible to lower the carload quantity, having regard to the fact that daily shipments would follow?—A. Lower the carload quantity?

Q. Yes, to 10,000 pounds?—A. Mr. Chairman, we have already lowered it to 10,000 pounds under the arrangement with the Government.

Q. I am not speaking about the arrangement with the Government, I am speaking about your adopting a regular 10,000 pound carload rate?—A. It really does not make any difference to us where we get the money from, whether it comes from the public or from the Government. We will put in a 10,000 pound minimum providing we get the revenue.

By Mr. Chisholm (Antigonish):

Q. That means that the freight would increase if you establish daily cars?—A. That the freight would increase?

Q. That the shippers would ship more fish?—A. Oh, you mean the quantity?

Q. Yes.—A. If you take the total weekly consignments of fish and divide them up into six equal parts, one for each of the six working days, you can readily see there would not be enough shipments on each day to warrant the Railway Company carrying a car unless there were some guarantee of a minimum per car.

By the Chairman:

Q. Well, you make a carload lot rate based on the 10,000 pound quantity, as differing from the less than carload lot rate.—A. We think, Mr. Chairman, that the present rate of $1.50 per 100 pounds is a suitable rate even for the carload quantities of 10,000 pounds.

Q. Is your decision final on that? Have you so analyzed the business that you are able to tell us that is actually the case?—A. I have analyzed the business and I have analyzed and compared the rate with other rates, and my judgment is that the rate of $1.50, Mulgrave to Montreal, is a fair and reasonable rate, even for a carload quantity of 10,000 pounds.

By Mr. Sinclair:

Q. How would it be for 15,000 pounds?—A. The same would apply.

Q. Would it not be a little less?—A. No.

By Mr. Kyte:

Q. On 50,000 pounds would not the rate be any less?—A. No.

By Mr. Sinclair:

Q. Then the quantity does not affect the rate?—A. I do not think, Mr. Sinclair, it would, for the reason that the present rate of $1.50 per 100 pounds is as low, if not a lower rate by express, than exists anywhere on this continent.

Q. Speaking of the carload lot rate, you do not put anything else but fish in that car?—A. No.

Q. Would you say that 10,000 pounds would be the minimum?—A. We are willing to apply the minimum of 10,000 pounds at the present rate.

Q. When you get consignments to the total of 20,000 pounds you get twice as much money for their carriage?—A. Undoubtedly, but we carry twice as much freight and we perform twice as much service.

Q. The railway carries the freight, you do not do anything in that line.—A. Yes, we do.

Q. You do nothing at all in return for your rate on that 10,000 pounds?—A. I beg your pardon?

Q. What do you do?—A. We assume all the responsibility.

Q. What more responsiblity is there for 20,000 pounds than for 10,000 pounds? —A. We perform all the handling at Mulgrave, with the handling and unloading at Montreal, and with the cartage, and assume all the responsibility for the safe carrying of those goods.

Q. Is it not the same in the one case as the other?—A. No, excuse me, there was not as much service performed in the one case as in the other.

Q. You got just as much profit?—A. Exactly—I do not say as to the net profit, it is the gross revenue.

Q. Can you make a reduction?—A. No, because at present the rate is very low.

Q. It is a question whether it will pay the express companies to make a reduction?—A. If the Committee will bear with me a moment I would like to give them some analyses of the rate.

The CHAIRMAN: We would like to get all the information you could give. Perhaps you could summarize it for the information of the Committee and then hand in the statement to the stenographer.—A. Well, the statement covers the rates to a number of destinations, in order to make it typical of the subject under discussion I simply take the rate from Mulgrave to Quebec, Montreal and other points, because that is what our discussion has been on. I have here a statement compiled by the Canadian Express Company showing the express rates per 100 lbs. from Mulgrave, Nova Scotia, on merchandise and Scale "N" food products, and the special commodity rates on

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fish, also freight rates on fish, carloads and less than carloads. The statement also shows the mileage from Mulgrave to the various destinations. Some explanation, perhaps, is necessary before giving this to the Committee.

Q. Can you put in the statement just as you have it there?—A. Yes, it is a very simple statement. If you will allow me to explain it, the distance from Mulgrave to Montreal is 884 miles and the standard mileage rate, which is the maximum rate which may be charged, is $2.75 per hundred lbs. The merchandise rate, which is the rate charged on all classes of merchandise is $2.75 per hundred lbs. The scale "N" food rate, so described in this statement is the commodity list of rates given by the Canadian transportation companies and approved by the Railway Commission and includes all other classes of food and farm products, such as vegetables, butter, eggs and all other products which might be classified with fish—

By Mr. Copp:

Q. When were those rates approved of?—A. Some few years ago as the result of a long hearing before Judge Mabee, I think in 1911. That so-called scale "N" rate on food products from Mulgrave to Montreal is $2 per hundred lbs. and unless it were treated separately and specially that Scale "N" rate should apply to fish and the rate under that scale would be $2 per hundred lbs. But in order to give some assistance and encouragement to the movement of fish the express companies have made a personal reduction in that rate and brought it down from $2 to $1.50 per hundred lbs., and that is a reduction that makes the rate on fish 45 per cent lower than our maximum standard mileage rate which, under the rates approved by the Railway Commission we were permitted to charge.

By Mr. McCurdy:

Q. Can you give us the minimum rate which these companies have ever charged? —A. You mean the minimum rate per package?

Q. As you have given us the maximum rate which you might charge as $1.75, what is the lowest rate you have ever given?—A. I think it is 40 cents.

Q. And $1.75 is the maximum?—A. For this distance of 884 miles, do you mean?

Q. Do I understand that the maximum rate for the distance of 884 miles is $2.75? —A. Yes.

Q. And for commodity rates it is $2?—A. It is $2.

Q. And the lowest rate for any shipment is 40 cents?—A. The lowest rate that is charged for the smallest distance is 40 cents. All our rates are based upon mileage.

By the Chairman:

Q. I think what Mr. McCurdy wants to know is whether for this distance there is a lower rate than $1.50?

By Mr. McCurdy:

Q. My question is what is the lowest rate your Company charges for carrying a parcel 100 lbs. weight for 884 miles?—A. I do not think in this country any express company carries any article for that distance at a lower rate than $1.50 which is the rate that prevails on fish. In other words my own opinion is that the fish rate of $1.50 is the lowest rate governing the distance in any part of the country.

Q. What would you charge on pig iron?—A. Pig iron is not carried by express but if pig iron were moved to-day from Mulgrave to Montreal by express it would be charged $2.75 per hundred lbs.

THE CHAIRMAN: Will you please proceed with the explanation of your schedule. A. This rate of $1.50 per hundred lbs. on fish is 45 per cent lower than the standard rate which is permitted by law to be charged; it is 45 per cent lower than the charge on general merchandise, and it is 25 per cent lower than the rate being charged on other food products. Therefore, our contention that the rate is an extremely low one considering the distance which the traffic has to be carried, and that we should not be

asked in all fairness to reduce that rate or to reduce our revenue per car hauled below what has already been arranged with the department on a car of 10,000 lbs.

THE CHAIRMAN: The Superintendent of Fisheries, Mr. Found, would like to ask you a question.

By Mr. Found:

Q. I have in mind a statement you made a moment ago that this rate on fish is as low as any rate that prevails anywhere on the continent per car mile?—A. Excuse me, I did not say that.

Q. What did you say?—A. I did not say per express car mile at all.

Q. What I had in mind was the rate prevailing say, from Prince Rupert to Montreal, or from Prince Rupert to Boston as compared with the rate from Mulgrave to Toronto according to the distances. A. Well, Mr. Chairman, I am glad to know that Mr. Found has given me the opportunity to explain to this Committee something about the rate from Prince Rupert which is pertinent to the inquiry, and which is something that the Committee ought to know. In the first place the principal fish caught on the Pacific coast which is forwarded by express to the east consists of halibut. There is some salmon, but it is in comparatively small quantities. The first movement of halibut from the Pacific coast to the Atlantic seaboard took place by freight train service over the Northern Pacific Railway and the Great Northern Railway some years ago. I do not know what the time in transit was, but probably it was from eight to ten days. That was subsequently followed by the movement by express. When the Great Northern Railway Company first established that freight service they carried their cars as far as St. Paul on passenger trains. That was the terminus of their railway. Beyond that the cars were carried, I believe, on freight trains. But for that combination service, partly passenger train service and partly freight train service, they established a rate of $3 per hundred lbs. from Seattle to New York by way of St. Paul through Chicago. The rate so established became the basis for express rates by all other express companies operating from Seattle to New York ever since. At a later period the fish industry developed on the Pacific Canadian coast. It was necessary in the interest of the fish dealers at Vancouver and their backers who were willing to invest considerable money in the fishing plant that they should be assured that wherever they wanted to ship halibut caught in Canadian waters from Vancouver to New York they would not have to pay a higher express rate than was then being charged to their competitors operating from Seattle, notwithstanding the fact that the mileage from Vancouver to New York through Chicago and St. Paul was very considerably longer than the mileage from Seattle to New York. So, in that way, the same $3 rate came to be established from Vancouver as was formerly put into effect from Seattle. That ran along for some years until the completion of the Grand Trunk Pacific to Prince Rupert. When the express company commenced its operations in connection with the fish traffic from Prince Rupert we had precisely the same question confronting us at this later period that confronted the Dominion Express at Vancouver at an earlier period. We wished to have some large fish dealers establish a fish industry at Prince Rupert. We wanted them to go there and invest their money in a plant and it was necessary, therefore, as it had been in the other instance referred to, that we should give them assurance that the rate from Prince Rupert to New York should not exceed what was charged their competitors from Vancouver and Seattle, notwithstanding the fact that the mileage from Prince Rupert was several hundred miles longer than that from Vancouver, and several hundred miles farther again than the mileage from Seattle. So that it is all competition that produces this rate and which makes it necessary in shipping fish from Prince Rupert for the railway company to meet that competition. Now I have given you that information in order to explain the origin of that rate and because it is necessary to show that in one case mileage is not the prevailing factor in determining the express rates.

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By Mr. Kyte:

Q. You mean that competition is another factor as well as mileage?—A. Competition is the controlling factor as a matter of fact.

Q. But your profits in carrying that business are based upon the price that you charge for that service, whether that price is the result of competition or not?—A. That rate was made regardless of whether there was any profit in the business or not.

By the Chairman:

Q. Then would it not be the case that if your western rates did not pay you would have to charge such rates on your eastern business as would counterbalance the loss upon the western business?—A. I do not say that our western rates do not pay.

By Mr. Kyte:

Q. Will you be good enough to state to the Committee what the basic rate charged on the traffic from Prince Rupert to New York would represent on the carriage, on a mileage basis, between Halifax and Montreal, that is based on the distance carried?—A. You mean to take the actual mileage from Prince Rupert to New York?

Q. Taking that as your standard of comparison, what would be the rate from Halifax to Montreal?—A. That would have to be calculated.

Q. I think it would be well to calculate it. What is the mileage from Prince Rupert to New York?—A. I could not tell you. I know what it is from Prince Rupert to Montreal.

Q. What is it from Prince Rupert to Montreal? It would not be quite so far to Montreal?—A. From Prince Rupert to Montreal 3,336 miles.

Q. And how much to New York?—A. Add 500 miles to that to get the mileage to New York approximately.

Q. 3,486 miles, for which you charge per hundred pounds a rate of $3.

By the Chairman:

Q. Have you the quantities carried from the west?—A. From Prince Rupert, yes.

Q. They run into very large figures, do they?—A. I would be glad to give the Committee a statement, if it did not go in the record.

Q. If you desire us to keep the information private, I think the Committee would agree that it should not go in the record.—A. I shall have great pleasure, Mr. Chairman, in submitting to yourself and any other members of the Committee, a statement which will give the carload and less than carload movement of fish from Prince Rupert from the time we commenced operations there to the present time. But with your permission I should like to withhold it from the record, because it is a matter of competition, and we do not want our competitors to know just what we are doing in all cases.

By Mr. Sinclair:

Q. Does that statement show the quantity?—A. The Chairman has asked whether I have any figures indicating the movement of fish from Prince Rupert and the quantity. I have such a statement, but would like to keep it for the information of the members of this committee only and not publish it.

The CHAIRMAN: I think if there is any reason in the mind of the witness why it might not be desirable to have this statement go on the record, we will not press for that if he will exhibit it privately, and furnish a copy for the files of the department.

The WITNESS: Yes, and for the members of the committee too.

By Mr. Sinclair:

Q. Is that traffic from Prince Rupert by express trains or freight trains?—A. I have not any information as to movement by freight trains, Mr. Sinclair.

Q. There is no regular express train running from Prince Rupert to New York?—A. Yes.

Q. Daily?—A. No, three days a week.

Q. And is it on those trains that all this fish comes?—A. On those trains, or sections of those trains, or trains which correspond to those trains.

Q. Does not some of this fish come on regular freight trains?—A. Not the express fish.

Q. I see.—A. There is a movement of fish by freight train, but that, I believe, as a rule is the frozen halibut. Fresh fish is invariably shipped by express.

Q. And the fish shipped on your company is shipped by express?—A. Exactly.

Q. We were told the other day that a carload of fish was shipped from Lockeport, N.S., to Montreal—I think not by your company—and that the shipper expected to get the benefit of the Government assistance?—A. The one-third rebate.

Q. Yes, and he was charged the full amount. The Government refused to give the benefit of the rebate, because there was a full carload. Apparently he was worse off than if he had shipped the small quantity.—A. I believe that is the arrangement with the Government.

Q. Do you think that can be justified?—A. I would prefer not to express an opinion on that.

Mr. McCURDY: Actions speak louder than words.

Mr. SINCLAIR: That startled us too.

Mr. FOUND: Ultimately the Government did pay one-third on that car. The Government refused with the idea and the hope that the express company would be driven to give a carload rate, but when it absolutely refused, after the lapse of a considerable time, the Government did not place the company in a false position.

The CHAIRMAN: You paid the one-third?

Mr. FOUND: We did ultimately.

By the Chairman:

Q. I have a question or two I wish to ask the witness at this point, with relation to the schedule he has given us of the express rates from Mulgrave to Montreal. When you state, Mr. Pullen, that you put fish on this commodity rate, which is $1.50 per hundred pounds from Mulgrave to Montreal, or 25 per cent less than Scale "N," which covers the ordinary food rate—are you aware that there is a great shrinkage in the weight of fish between the time when it is placed on board your car, say at Mulgrave, and the time when you deliver it at Montreal?—A. There may be a shrinkage in the weight of the actual fish, and no doubt there is a shrinkage from the loss of ice.

Q. Was that taken into consideration at the time this rate was made which you say is 25 per cent less than the ordinary commodity rate?—A. Yes, I should imagine it was. I was not on the scene at that time, but the Committee will perhaps understand that that rate of $1.50 does not apply upon the gross weight of the box containing the fish, but it applies only on the net weight of the fish in the box. For example, the ordinary box with a gross weight say of 450 pounds, there might be say, one half of that fish, and the other half ice and box, and our charges would be collected only on the weight of the fish.

Q. As a matter of fact, the difference between gross and net would not run as high as 50 per cent?—A. Well, I could get the Committee perhaps some actual information on that, but I have not it available.

Q. But there is a difference between what I may term shipper's net weight of fish, and the weight which reaches the consignee in Montreal, a very considerable difference; and it has been stated here by a witness under oath within three or four days, that the difference runs as high as from 10 to 15 per cent. What is the distance operated by your company on the Government railway lines?—A. You mean the Intercolonial?

Q. Yes.—A. We operate on all parts of the Intercolonial railway from Sydney to Montreal.

Q. You are operating also on the Transcontinental, I suppose?—A. Wherever they have at the present time a train service in operation, also on the National Transcontinental.

Mr. SINCLAIR: You might ask, Mr. Chairman, what proportion of the earnings goes to the Government, and what to the company.

By the Chairman:

Q. Can you state that, Mr. Pullen?—A. I can state it, but I wonder if it is entirely proper to state it in view of the fact that it is part of a contract with the Government, and perhaps I ought not to state that without the consent of the Government.

Q. I think we will take the responsibility of placating the Government in case they are irate?—A. If you think it is important I will be very glad to give the information.

Q. I think it is important.—A. What is the question, Mr. Chairman?

Q. What is the distribution of the receipts between your company and the railway?—A. You apply that to the specific fish traffic?

Q. We can bring it down to the fish traffic, if you like, first.

By Mr. Sinclair:

Q. What is the percentage?—A. For fish carried in the ordinary express car, not in a subsidized Government car, the division between the Government railway and the express company is 50 per cent to each. For fish carried in the Government subsidized car, there was not a fixed percentage, but a minimum charge of the Government railway of 90 cents per hundred pounds, and $90 per car from Mulgrave to Montreal, which is considerably higher than the 50 per cent.

By the Chairman:

Q. You pay that to the Government?—A. Yes.

By Mr. Sinclair:

Q. It may be that the Government is charging too much?—A. I am not alleging that the Government are charging too much.

Mr. SINCLAIR: Perhaps we can get a reduction.

By the Chairman:

Q. You operate then over the Government lines between Mulgrave and Montreal, a distance of 884 miles?—A. Yes.

Q. How many officials have you, or employees, within that district?—A. Oh, I could not answer that question; I could answer as to the officials. We have a superintendent at St. John, who has jurisdiction east of Riviere du Loup. We have two route agents whose business it is to assist the superintendent and to supervise the management of the local business. We have quite a number of salaried agencies at the principal points. For the most part, for the larger number of stations, we employ the agents of the Government railway and pay them a commission on the express business, West of Rivière du Loup, the territory comes again under another superintendent whose headquarters are at Montreal, and he, in turn, has an assistant superintendent, with three or four route agents who also have jurisdiction over the Government railways, the Intercolonial and part of the National Transcontinental, in addition to certain of the mileage of the Grand Trunk which belongs right in that same territory. Then there are the local officials in addition to that.

Q. Of course, apart I mean from the general headquarters staff. In connection with the operations of your business between Mulgrave and Montreal, you have these district men you have mentioned?—A. Yes.

Q. In addition to that, have you a large number of employees?—A. There are messengers on every train, of course.

Q. Are they furnished and paid by your company?—A. Furnished and paid by the express company.

Q. Other than these officials that you have mentioned, and these messengers, the ordinary system of the Intercolonial is able to take care of the business?—A. Undoubtedly. Excuse me, let me add to that statement: As a matter of fact there is the expense, and I presume that is what you are inquiring into, connected with the handling at Mulgrave, and the handling and cartage at Montreal, which is in addition to the official expense.

Q. That is done by other employees of your company?—A. Yes.

Q. Not by employees of the railway?—A. No.

Q. Then, by the railway reorganizing, to some extent, its staff, it would be possible for it to operate an express service between Mulgrave and Montreal?—A. Quite possible. We are not the only people with knowledge and experience.

Q. You mean that in a Pickwickian sense, do you not? Would it disorganize to any extent the business of your express company if the Government established an express service between Mulgrave and Montreal? Would that seriously cripple your express business?—A. The Canadian Express Company would continue to exist without operations on the Government railways, because it has a large mileage on the Grand Trunk Railway and on the Grand Trunk Pacific, but it is of considerable value to the shipping public, I imagine, to be able to have the benefit of a service, of a through service, with the Canadian Express Company to and from points in the Maritime Provinces.

Q. The Canadian Express Company and the Dominion Express Company both operate a service between Halifax and Montreal over the Intercolonial, do they not?—A. The Canadian Express Company does for the Intercolonial. The Dominion Express Company does for the Intercolonial and for the Canadian Pacific.

Q. And the reason we do not get the benefit of competition is that at Moncton the lines separate and the service to Montreal is carried out over two different railways.—A. I do not know what is meant by "not getting the benefit of competition." You have the service of the two railways.

Q. You were speaking of competitive rates when you referred to the low through rate from the Pacific to New York?—A. Yes.

Q. You said those rates were based on competition. Now if the Government railway were to organize an express service between Mulgrave and Montreal, while it would not necessarily put your Company out of business, as you have very properly said, at the same time it would give that competition which would probably result in better rates, would it not?—A. It is quite possible for the Government railway to carry express business for nothing.

Q. Is that a fair answer, Mr. Pullen?—A. I think, Mr. Chairman, it is. The Government railway's freight rates are lower than in any other part of the country I know of. They may be able to do the same thing with an express service if they themselves handle it.

Q. Do you mean the Government railways are carrying freight at a loss at the present time?—A. No. I do not know whether they are carrying them at a loss or not, I am simply comparing the Government rates with rates in other parts of the country.

Q. Should not the true basis in the fixing of a rate be that it is carried at a reasonable profit? It is not necessary to say that it should be the same as some rate to a different point, or on a different line?—A. It is impossible, Mr. Chairman, for a transportation company to segregate its traffic and its earnings so as to be able always to know whether or not there is any profit in a given transaction or a given class of traffic.

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Q. There is no good reason, is there, why competing rates in the East should not be quite as reasonable as competing rates in the West?—A. I do not think, in view of the circumstances which compelled the extremely low rates from the Pacific Coast to New York, that those rates can be taken as a fair basis for establishing similar rates from the Atlantic Coast, where such compelling circumstances do not exist.

By Mr. Kyte:

Q. Are you carrying on your Western Express business at a loss?—A. I do not think there is very much profit in it.

Q. There must be sufficient inducement for you to continue the business?—A. A railway company very often has to carry business at a very small margin of profit. It is in the interest of the Grand Trunk Pacific Railway Company that the Pacific Coast terminus at Prince Rupert should be developed. It would not help Prince Rupert if the Grand Trunk Pacific Railway Company, or the Canadian Express Company, were to say that they would not meet the competition at other Pacific ports. Prince Rupert depends upon the maintenance of the fish industry there, and if that assistance were withdrawn, I do not know what would happen to the town.

By Mr. McCurdy:

Q. Were the Great Northern rates that you spoke of, from Vancouver to New York, established before you went in?—A. Yes, many years ago.

Q. So there is no question at all but what that rate from Vancouver to New York is profitable to all the companies concerned?—A. I do not know, I am sure. You have got to bear this in mind, gentlemen: that not only is it true of the Canadian Express Company in connection with the Grand Trunk or Grand Trunk Pacific Railway Company, but it is also true of the Dominion Express Company in connection with the Canadian Pacific—that neither company has its own line through to Boston, New York, Philadelphia, St. Louis or Chicago, where all these shipments go.

Q. Is not that an argument for higher rates instead of lower?—A. Possibly. But what would happen if we made those higher rates. What would happen at Prince Rupert, Victoria and Vancouver?

By Mr. Sinclair:

Q. Why don't railways have a through train for fish the same as they have for tea and silk from the coast?—A. I presume it is mainly a question of quantity.

Q. Is the quantity larger?—A. Oh, no.

Q. It has been stated in this committee that there were several cars of fish available daily from the coast.—A. If you are speaking of tea and silk, I must say that I do not know anything about the movement of those commodities, because that takes place only from Vancouver over the Canadian Pacific. Our company does not handle any traffic of that kind, we have no trans-Pacific imports ourselves at Prince Rupert.

By Mr. McCurdy:

Q. Could you indicate in a few words the necessity for the express department of a railway being handled by an express company in preference to being handled by the railway company?—A. I presume it is more convenient.

Q. If it is necessary to handle the parcels by express, would not the same argument apply to the handling of passengers as distinct from freight?—A. I have no doubt that a railway company could organize its own staff of employees to handle its express on its own road properly, but the operations of an express company—an eastern express company—are not confined to any one railroad, the operations extend over a number of railroads. Some of the railroads in the United States have a mileage of as much as 40,000 miles.

Q. And the Canadian express companies?—A. The express companies in Canada? What is true of the Canadian Express Company over the Intercolonial and National

Transcontinental railways, the Grand Trunk and the Grand Trunk Pacific, and quite a number of other smaller lateral lines, is similarly true of the Dominion Express Company. It is a public convenience the express companies afford, in that they give the public the benefit of through rates, of a through receipt in a single responsibility, over a long line of railway mileage.

Q. Would your company not touch any point in North America by through arrangement such as prevails with Canadian Express Companies?—A. Not by a single through rate, Mr. McCurdy.

Q. That is the only objection? The responsibility is the same and the service of connecting express routes as yours?—A. The responsibility of each carrier ends of course when it turns the goods over to its connection.

By Mr. Sinclair:

Q. You had the whole control, Mr. Pullen, of the eastern traffic, until a few years ago? That is to say, you were the sole company operating east of Montreal?—A. Yes.

Q. When did the change take place?—A. I think in 1912.

Q. And since then you have had to compete with the Dominion Express Company? —A. Yes, sir.

Q. Have there been any reductions in rates since this competition was introduced? —A. No, not that I know of.

Q. Can you explain that? Is there a working agreement between the Companies? —A. Yes. I have no objection to stating that all new rates made are the subject of agreement between the parties. But all have to be published in the form of tariffs and receive the sanction of the Railway Commission before going into effect, so there cannot be any such thing as secret rates.

Q. What steps have to be taken in order to secure a reduction in rates?—A. What steps ought to be taken in order to get the express companies scrapping with each other, and each reducing rates one below the other?

Q. I do not know how it would work, but I would like to know what could be done in that direction. If we discover something along that line that could be done, it ought to be done. You have told us that the officers of the Intercolonial were the employees in some places of your Company.—A. No.

Q. Did you not state that?—A. No. What I stated, Mr. Sinclair, was this: that at the smaller towns where the business is not large enough to warrant the express company maintaining its own separate agency, it does employ the railway station agents of the Intercolonial to handle the express business for them, paying them a commission.

Q. A commission of how much?—A. It varies with the agreement with the agents down there, 10 or 15 per cent, something like that.

Q. Ten or 15 per cent of the traffic handled at that station?—A. No, of our earnings.

By Mr. Kyte:

Q. These I. C. R. station agents are also agents of the Dominion Express Company at the present time?—A. Yes.

Q. Can you state the express rate on fish from Prince Rupert to Montreal?—A. Yes, sir, $3 per 100 pounds.

Q. It is the same as to New York?—A. The same as to New York.

By Mr. McCurdy:

Q. Is it a fair question to ask how that rate is divided? You haul to Montreal, somebody else has to haul from Montreal to New York.—A. Do you mean how the rate is divided between the United States Companies and our own?

Q. Do these shipments come via Montreal?—A. Sometimes.

Q. The connecting Company hauling from Montreal to New York does not haul for nothing?—A. Oh, no.

Q. It comes out of your pocket then?—A. Yes.

Q. Would you mind if I ask you whether you pay on the distance from Montreal to New York the same proportionate rate as you charge from Prince Rupert to New York?—A. Mr. McCurdy, I am sorry I cannot definitely answer that question now, but if it is satisfactory to the Committee, on my return to Montreal I shall be very glad to send them the information. The reason I cannot answer the question at the present moment is this: the question of the division between the carriers—that is between the Canadian carriers and the United States carriers—is the subject at present of negotiations, which have not reached a finality. I will give you some information, after I get back home, as to what we have done.

Q. I want you to look up that point that we were discussing just now. It may be possible that the information you have in Montreal may show that your rate from Prince Rupert to Montreal is really lower than you gave us a little while ago.—A. You mean our earnings out of that rate?

Q. Yes. In other words, that you are not receiving 78 cents per hundred pounds as you stated in answer to the question. I understood from your answer that the minimum on any part of your service was $1.50, which you allow from the Maritime Provinces to Montreal, but it would indicate from these figures that you have a rate as low as 78 cents?—A. Of course there is a great difference in the traffic, that is for carload traffic, with the car always loaded up to at least 20,000 pounds and sometimes 21,000 and 22,000 pounds, whereas from the Maritime Provinces there are no such carload shipments at all, they are all less than carload.

Q. If the dealers were able to produce shipments in carload lots from the Maritime Provinces then your company could haul it up at the same rates, could it not?—A. We would be perfectly willing to give the matter favourable consideration.

Q. Serious consideration, anyway?—A. Serious consideration.

By the Chairman:

Q. I want to ask you now several questions, not because I expect you to answer them offhand but so that you may consider them in view of the evidence you have given to-day. The first of these questions is whether you cannot put into effect a carload lot rate for express which will be less than your present rate. You have already told us that you do not think that would be advisable from the standpoint of the express companies. The second question is whether you can give a pedlar car service. I will state what a pedlar car is, so that you may have it in mind when considering this question. Mr. Found has described a pedlar car as a car in which shipments from one or several shippers are consolidated, and on which the carload rate to the farthest point is the rate charged, such car to be opened at certain points along the line to distribute and lay down some of the commodities carried, in each case a charge to be made in addition to the regular rate for opening the car. For instance, if the pedlar car had its load consolidated, we will say, at Truro, and ran through to Toronto, it would be possible to open that car and put off the Montreal shipment, then go on to Kingston and leave the Kingston shipment there, and then continue to Toronto, and put off the Toronto shipment?—A. And the rate would be the carload rate to Toronto, that is the proposal, is it?

Q. And, thirdly, when it is not feasible to use the refrigerator car, why could you not partition off a portion of the ordinary express car for fish shipments so that that portion could be kept at proper temperature and so prevent the deterioration of fish in transit? These matters have all been spoken of during your examination, but I want to group them together at the end and perhaps after further consideration you may feel that the shippers are entitled to a certain amount of redress, and we hope that you will use your influence towards that end.

Mr. KYTE: Is that information to be sent in to the Committee, or will the witness attend again to-morrow?

The WITNESS: Unless the Committee desires my further attendance, I would like to return to Montreal this afternoon, but if it is the desire of the Committee I will gladly remain over.

By Mr. Kyte:

Q. As you are sending this further information to the Committee, I would like you also to send a statement showing the cost of sending express from Mulgrave to Montreal based upon the rate charged from Prince Rupert to Montreal.—A. Do I understand that you want the cost? Because if it is cost you want, I cannot give it to you.

Q. I am speaking of the charge, that is all. For you to send us a statement as to what the charge would be for a hundred pounds weight from Mulgrave to Montreal, based upon the charge from Prince Rupert to Montreal.—A. What I understand you want is this: Assuming the carload rate of $3 per hundred pounds from Prince Rupert to New York, which is a very reasonable charge considering the distance, what would be the charge from Mulgrave to Montreal, a distance of 884 miles, on the same basis?

Q. Of course that opens up another question. We are not saying that you ought to be asked to carry it at the same rate, but we are merely asking you to give us the information for the purpose of informing the Committee.—A. I would like to say, Mr. Chairman, without going into further details, in answer to this group of questions, that I do not know that I can give you any further information about the actual operations of the express company. I would suggest that if there is really a question in the minds of the Committee as to whether or not the existing rates are fair and reasonable, in view of all the circumstances, it might be well to submit the whole question to the Board of Railway Commissioners and get a ruling from them on that point.

By Mr. Sinclair:

Q. Have you any suggestions to make as to possible improvements in the method of carrying perishable products such as fish?—A. I think the best arrangement that has been made for this fish service is that made by the department three or four years ago for a weekly service with the minimum of 10,000 pounds to Montreal——

Q. But the difficulty we are met with in regard to that is, we are told, that the lake fish competes with the eastern sea fish in the Toronto market. We are also told by the dealers that our fish from the sea coast arrives in Toronto in such bad condition that we will never be able, unless we can make some improvement in the condition in which the fish is supplied to that market, to compete with the local lake fish. That puts it up to the express companies, to say if they are going to improve the service by which the traffic is carried from the seaboard. Is there not some way which you can suggest by which that improvement can be brought about?—A. When you interrupted me I was going to say that my own view is that the arrangement entered into two or three years ago with the Department of Marine and Fisheries for the guarantee of 10,000 pounds for a weekly subsidized refrigerator car, which handles the fish by express service from Mulgrave to Montreal is really the best arrangement that could be made. But in view of the fact that this service was not supported by the fish dealers who were not using it weekly for forwarding their fish—for purposes of their own, which it is not necessary to deal with here, they did not wait for these cars—the load in the subsidized car fell below what it was formerly. Now if it is to be the policy of the Department, and I am not questioning it, to continue the rebate of one-third of the public express charges on these shipments of fish I should suggest,

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respectfully, for the consideration of the Department, that they confine that rebate of one-third to the shipments which are made in the car which they provide or may arrange to provide.

Q. You mean in the refrigerator car?—A. Yes. And if for their own reasons shippers prefer not to take advantage of this service, but put their fish in the ordinary express car, then they should not get the benefit of that one-third rebate.

By Mr. Sinclair:

Q. The shippers had to use the ordinary car, there has been no express service for a year?—A. There has been no subsidized express refrigerator car service for a year. It was taken off, as I understand it, by the Department after making some arrangement with the Intercolonial Railway for a freight service. That arrangement was not made at our suggestion or with our knowledge.

By Mr. McCurdy:

Q. You were quite satisfied with that refrigerator car service?—A. We had no complaint whatever to make about it.

Q. I understood that before that car was put on there was a great deal of difficulty in negotiating with the Express Company on the matter?—A. It is hardly correct to say there was a great deal of difficulty, there were some negotiations with us and with the railway people.

Q. There seemed to be some difficulty in getting it put on?—A. Oh, I think not, but whatever the difficulty was it was overcome eventually. Mr. Found went to a great deal of trouble and through negotiations brought about conferences between the railway and the express companies, and I think that co-operation was obtained.

By Mr. Sinclair:

Q. Why was the service discontinued?—A. I have not any knowledge as to that, we simply received notice that after a certain date the arrangement would not be renewed. I think, if I remember rightly, the communication we received stated that they had made some arrangement with the railway for a fast freight service.

Q. Can a fast freight service ever take the place of an express service?—A. Well, it has not been usually found as satisfactory; for short distances it might be, but for long distances I do not think it will ever be found to be quite so satisfactory.

By the Chairman:

Q. A few years ago the express companies of Canada fyled with the Government a statement of their earnings for the years then passed. I think that was up to 1912 and 1913. You might, when you are sending the other information we have asked for, bring that statement up to date?—A. You mean the gross earnings?

Q. The net earnings I think it was?—A. Every express company fyles with the Department of Railways and Canals each year a full statement which is published in the annual report of the Department.

Q. Then the earnings of the express companies will be available to this Committee by getting a witness from the Department, unless you wish to give it?—A. I have not anything showing the gross earnings from all sources.

Witness discharged.

Committee adjourned.

The following statements were fyled by the witness during his examination:—

Canadian Express Company rebate collected from Government on fish shipments:—

EAST.

1909	$ 4,907 67
1910	7,642 34
1911	8,490 89
1912	12,682 78
1913	9,852 44
1914	5,117 82
1915	6,819 27
1916 (1 month)	1,185 86
Total	$56,699 27

WEST.

1914	$ 495 72
1915	15,108 88
1916 (1 month)	1,474 63
Total	$17,079 23

MONTREAL, QUE., February 26, 1916.

Office of President, Canadian Express Company.

Statement showing quantity (in pounds) of fish forwarded by the Canadian Express Company and Dominion Express Company, weekly, in subsidized express refrigerator car from Mulgrave and Halifax to Montreal and points west thereof, *May 30, 1914, to January 16, 1915—thirty-four weeks:—*

	Lbs.		Average per Week. Lbs.
To Montreal—			
Canadian Express	83,925		2,468
Dominion Express	98,389		2,894
Total	182,314	51·40%	5,362
To Points West of Montreal—			
Canadian Express	105,570		3,105
Dominion Express	66,481		1,955
Total	172,051	48·60%	5,060
To Montreal and Points West of Montreal—			
Canadian Express	189,495	53·47%	5,573
Dominion Express	164,870	46·53%	4,849
Total	354,365	100·00%	10,422

CANADIAN EXPRESS COMPANY,

OFFICE OF PRESIDENT,

MONTREAL, QUE., February 26, 1916.

APPENDIX No. 3

Statement showing quantity (in pounds) of fish forwarded by the Canadian Express Company and Dominion Express Company, weekly in subsidized express refrigerator car from Mulgrave and Halifax to Montreal and points west thereof, *August 9, 1913, to January 31, 1914—twenty-six weeks.*

	Lbs.		Average per Week. Lbs.
To Montreal—			
Canadian Express	38,082		1,465
Dominion Express	143,583		5,522
Total	181,665	52·58%	6,987
To Points West of Montreal—			
Canadian Express	84,592		3,253
Dominion Express	79,260		3,049
Total	163,852	47·42%	6,302
To Montreal and Points West of Montreal—			
Canadian Express	122,674	35·50%	4,718
Dominion Express	222,843	64·50%	8,571
Total	345,517	100·00%	13,289

CANADIAN EXPRESS COMPANY,
OFFICE OF PRESIDENT,
MONTREAL, QUE., February 26, 1916.

CANADIAN EXPRESS COMPANY.

STATEMENT showing Express rates per one hundred pounds from Mulgrave, Nova Scotia, on Merchandise. Scale "N" (Food Products), Special Commodity rates on Fish; also Freight Rates on Fish, in carloads and less than c loads.

From Mulgrave To	Actual Miles.	Standard Mileage Rates.	Merchandise Rates.	Scale "N" (Food) Rates.	Commodity Rates on Fish and percentage lower than—				Freight.		Express; percentage higher than L.C.L. Freight.
					Rates.	Standard.	Merchandise.	Scale "N."	L. C. L.	C. L.	
		$ cts.	$ cts.	$ cts.	$ cts.	%	%	%	cts.	cts,	
Quebec.....	727	2 50	2 50	1 80	1 25	50	50	31	38	28	229
Montreal.....	884	2 75	2 75	2 00	1 50	45	45	25	38	28	292
Ottawa.....	998	3 00	3 00	2 10	1 60	47	47	24	62	31	158
Toronto.....	1,215	3 75	3 50	2 40	1 75	53	50	27	70	35	150
Hamilton.....	1,254	3 75	3 50	2 40	1 90	49	46	21	72	36	164
London.....	1,330	4 00	3 75	2 60	2 00	50	47	23	80	40	150
Windsor.....	1.440	4 25	4 00	2 80	2 50	41	38	11	82	51	205

NOTE.—Express rates are applied only on the net weight of fish, exclusive of weight of boxes and ice. Government assume one-third. Freight rates are applied on the gross weight of package.

President's Office,
MONTREAL, Que., February 26, 1916.

(NOTE.—Further Statements furnished by Mr. Pullen will be printed in a subsequent bulletin).

APPENDIX No. 3

HOUSE OF COMMONS,
ROOM No. 301,
FRIDAY, March 3, 1915.

The Committee resumed at 3.15 p.m., the Chairman, Mr. Jameson, presiding.

Mr. THOMAS BINNS called, sworn and examined.

By the Chairman:

Q. Where are you engaged at present, Mr. Binns?—A. I am employed by Matthews-Blackwell, Limited, in charge of their fish department.

Q. How long have you been connected with that firm?—A. A little over four years.

Q. Did you have any experience in the fish business before that?—A. Yes.

Q. Where and for how long?—A. I was in Montreal in the fish business for 19 years.

Q. Were you in the wholesale business there?—A. Wholesale and retail.

Q. And you understand the distribution of sea food, I suppose?—A. Yes.

Q. How do you get your fresh fish in Ottawa, by express or freight?—A. We bring our fresh fish by express frequently, but mostly by freight at this time of year.

Q. Where do you get it from?—A. This last week we had fresh haddock chiefly from Lockeport.

Q. Do you order your fish direct?—A. Yes.

Q. Do you sometimes buy from the wholesalers at Montreal?—A. Yes, sometimes, and they are shipped direct from the coast.

Q. There are times, however, when your shipments come from Montreal?—A. Yes.

Q. And in such cases there is a local rate superimposed on the through rate to Montreal?—A. Yes.

Q. That would involve, I suppose, greater expense to the consumer, would it not?—A. Yes.

Q. What is the local rate by express from Montreal to Ottawa per hundred pounds?—A. 75 cents.

Q. That is three-quarters of a cent per pound?—A. Yes.

Q. That is exclusive of the weight of the ice in which it is packed?—A. Their rate is 60 cents and 25 per cent added.

Q. What is the freight rate between Montreal and Ottawa on fish?—A. It varies sometimes from 24 to 38 cents per hundred pounds on the gross weight.

Q. You mean the gross weight of the fish, the ice and the box?—A. The package and everything.

Q. What is the shrinkage in the weight of fish between the shipper's weight say at Lockeport, or any point in Nova Scotia, and the weight which you get here?—A. On fresh fish?

Q. Yes.—A. Well, it is round 15 per cent.

Q. Is there a further shrinkage in the weight after you have it exposed for sale and before it is sold?—A. Yes.

Q. About what is the average shrinkage in that respect?—A. Of course, we do not want to keep it any longer than necessary and, on the average, I should think it would be five per cent more.

Q. And is there a loss also in cutting the fish?—A. Yes.

Q. What would be the loss occasioned by that?—A. What fish are you referring to particularly?

Q. I refer to cod which you have to cut up and sell as cod steak?—A. On a steak cod of 15 pounds weight there would be a loss possibly of 3 pounds in slicing.

Q. Are your premises well equipped for preventing fish from deteriorating after getting them here?—A. Yes.

Q. What is the loss you experience from deterioration in fish which you have to discard?—A. At this season of the year there is very little, in the summer it is sometimes considerable. It depends upon the supply and demand. Of course if there is a demand for the fish so that we can sell it quickly, there is very little loss.

Q. What would you regard the average percentage as being?—A. Well, 5 per cent would cover it.

Q. There is then, as I understand it, a shrinkage between the shipper's weight and the weight of the fish on the table of the consumer as follows: First of 15 per cent, between shipper, a further shrinkage of 5 per cent in the retailer's premises, and a loss of 5 per cent, making a loss altogether as between the shipper's weight and the retailer's selling weight of about 25 per cent?—A. That would be a conservative estimate.

Q. And your premises are well equipped for preserving fish from any deterioration?—A. Yes.

Q. Have you more than one store in Ottawa from which you sell fish?—A. We have about 12 stores that handle fish. Some of them handle it every Thursday and Friday, and three of them handle fish every day in the week.

Q. Are they pretty well distributed all over the town?—A. Yes, all over the town

Q. What is the average cost per parcel for distributing fish?—A. The distribution costs us 6 cents per package.

Q. What is the average weight per package?—A. I could not tell you that because in my own store it would be heavy, we do jobbing at the market store, but at the other stores it would be small.

Q. What would be the weight of the package at the other stores?—A. I could not tell you that because the other stores are not handling fish only, they handle other commodities.

Q. And the average cost would be six cents for packages of all kinds?—A. I understand that some days the cost of delivery comes to 30 or 40 cents a package when business is light, because our rigs are all there just the same.

Q. How do you deliver, by automobile or horse team?—A. By horse team mostly, and in summer we have the motor truck.

Q. What, in your judgment would tend most towards the reduction of the cost of fish to the consumer?—A. A greater demand.

Q. How could that be occasioned?—A. By the very slow process of education.

Q. Education, you mean, of the consumer?—A. Yes.

Q. As to the nutritious properties of fish as food?—A. Yes.

Q. Do you think that by having demonstration kitchens at important centres in Canada where fish could be cooked properly and attractively served, the public appetite would be educated up to the use of that food?—A. I scarcely think so.

Q. A previous witness here said that at the last Toronto Exhibition a restaurant at which fish was served had been productive of very good results?—A. I do not doubt that.

Q. In what other way do you think the consumption of sea food could be increased?—A. I think it will take time to get the people educated to the value of fish and to let them see that it is at the same time economical.

Q. You can hardly say that it is economical at present prices, can you?—A. Yes, I would say it is but the people do not know it. I bought a turkey this morning which cost me $6.30 and I do not consider fish is nearly as expensive as that.

MR. THOMAS BINNS.

APPENDIX No. 3

By Dr. Stewart (Lunenburg):

Q. You could buy a whole quintal of codfish for that, enough to keep them going for a month?—A. Yes.

By the Chairman:

Q. Do you consider the quality of fish as you get it here, and deliver to your customers' homes as being fresh fish?—A. At the present time we are getting very little fresh fish. Last week I had fresh fish from Lockeport and Canso; the Lockeport haddock was line caught and it was away ahead of the other. You cannot always get that kind of fish.

Q. Was it frozen?—A. No, sir, it was fresh. Here is a telegram I got yesterday from Lockeport from a firm with whom I placed an order on the 28th of February. "First haddock seven days just in, five cents, wire quantity you want."

Q. That means five cents a pound?—A. On the coast, yes.

Q. What would it cost to land it here in Ottawa?—A. About $1.40 before I can open the box. The same man telegraphed a few days ago as follows: "Have only two cases fancy haddock, five cents, weather bad, immediate acceptance."

Q. Weather conditions affect the catch of fish?—A. Yes.

Q. And that reflects itself on the retail market here?—A. Yes. We could use more fish if we could get it.

Q. Is there a demand for fish now on days other than Fridays and fast days?—A. Well, not a great demand, without making some special effort. This week we made a special effort by advertising special prices for the national fish day.

Q. Is there any co-operation between the various retailers here in giving their orders?—A. No, we all order independently.

Q. Do you think by co-operating and consolidating your shipments that you could lessen the cost of transportation by getting better rates, carload lot rates let us say?—A. I do not doubt but what we could, but it would look like a combine, and people would get suspicious.

Q. Of course, you would not combine as a matter of fact to enhance prices?—A. We would combine to save expense.

Q. Would you feel like telling the Committee what the average profit is here now on, say, a hundred pounds of fish?—A. I understand that the expenses of our stores average about 20 per cent, our overhead expenses.

Q. That is 20 per cent of the turnover?—A. I am not speaking now of the fish in all cases. We have so many meat stores. And I know that many of these stores some months do not show a profit at all. My own store generally shows a little profit, but not very much. So I presume the profit must be somewhere around 25 per cent.

Q. Of which 20 per cent goes for overhead charges?—A. Yes.

Q. Leaving a profit of 5 per cent on the turnover. That is about all you can expect under present conditions?—A. Yes.

Q. Do you know of any way whereby conditions can be improved so that the spread in price between the cost of fish at the seacoast and the cost to the retailer could be reduced?—A. Well, I think it is a matter for the retailer's conscience. Many of the fish prices now are the same prices the fish was sold at many years ago, and while other foods have been going up in price fish has been costing the dealer a little more, but he did not put up the price because he was getting a fair price before.

Q. You were pointing out that there were large overhead charges, expense of transportation, and a local rate superimposed upon a through rate; and I asked you whether you think there is any way whereby some of that cost could be lessened?—A. If we could bring all our fish from the coast by freight instead of by express, we would save considerable; but we cannot depend on the freight service.

Q. Do you think from what you know of the difficulties of the retail trade that the retailers would be willing to get together and consolidate their shipments and bring

them up by fast freight?—A. In Montreal, that might be done, but here there is not enough demand. Ottawa is a small place in the fish business compared with Montreal.

By Mr. Chisholm (Inverness):

Q. Have you any idea of the quantity of fish consumed in the city of Ottawa, from your knowledge or your own business and the business of those similarly engaged? —A. I think we use possibly about 60,000 to 75,000 pounds on an average per month of fish of all kinds, that is the fish we buy by the pound, not such things as kippers bought by the box.

Q. Are you the largest fish men here?—A. I think so, sir.

By the Chairman:

Q. Who else are engaged in the trade here?—A. M. Lapointe has a store similar to ours on the market, and there are certain men who are in the business just in the winter, just jobbers.

Q. How much of the quantity of fish which you told Dr. Chisholm you sold per month, comes from the seacoast, or is what you might call salt water fish?—A. Our main item just now is halibut, and possibly salmon from the Pacific coast. We use a certain amount of lake fish. But that depends on the season of the year. In the summer-time we use more lake fish than sea fish.

By Mr. Chisholm (Inverness):

Q. Which is the more popular fish?—A. The most popular fish is halibut, because it is so convenient to handle.

Q. Is salt water fish more popular in your market than fresh fish?—A. I might say that down in Montreal my experience was that sea fish was the main item. In Toronto lake fish is the main item. In Ottawa at some seasons of the year we use more lake fish. At this season we use more sea fish.

Q. You said you could handle more fresh fish?—A. That is fresh haddock and cod.

Mr. W. A. FOUND: That is during the winter season. You can get all the fresh fish you want in the summer.

The WITNESS: At this time of the year there are very few engaged in sea fishing.

By Mr. Stewart (Lunenburg):

Q. Do you buy all your fish directly from the fisherman or from the fish dealers on the coast?—A. Not from the fishermen.

Q. You deal with the trader on the coast?—A. We deal with the man who buys from the fisherman at the coast. Very few of these fishermen ship direct, practically none.

Q. There are no wholesale fish houses in Ottawa?—A. Well, we claim to be wholesale.

Q. I gathered that you were in the retail trade?—A. Wholesale and retail. We try to buy as near direct as possible in all cases.

By Mr. Clements:

Q. Do you purchase your Pacific fish direct?—A. The frozen, yes; the fresh Pacific fish, no. We could not use it in sufficient quantity. It comes to Montreal in summer, and we get a supply from there, and sometimes from Toronto.

By Mr. Stewart (Lunenburg):

Q. Do you deliver all your goods to the homes of your customers?—A. Yes, sir, we deliver all over the city.

Q. You do not deliver at the counter at all?—What I mean is you do not have two prices?—A. No, sir. Our advertisement usually says: "Four deliveries daily."

APPENDIX No. 3

Q. Do you handle salt fish at all?—A. Yes, sir.

Q. What classes of salt fish?—A. The most we handle are the package goods, such as the Acadia and the Pilot; a certain amount of green cod and a certain amount of salt mackerel and salt herring.

Q. Is there an increasing demand for that class of fish in Ottawa?—A. I think there has been an increasing demand this winter, although last winter we had an exceptional demand on account of the operations of the Associated Charities, who used salt cod. That made an increased demand for the time being.

Q. Do you buy that fish direct from the people who put it up?—A. Not always, no; usually not.

Q. Where do you make your purchases of salt fish?—A. For instance, to-day I bought some from Mr. Loggie, which he has in Montreal now.

Q. What kind would that be?—A. Green cod. The package goods we buy direct from the coast.

Q. With whom do you principally deal at the Atlantic coast?—A. The salt cod we get from the Maritime Fish Corporation—Robins, Jones & Whitman's product handled by the Maritime Fish Corporation.

By Mr. Turgeon:

Q. Do you handle a large quantity of green cod in Montreal?—A. Yes.

Q. Do you handle any green cod in winter-time?—A. Yes.

Mr. FOUND: Will you tell the committee what has been the increase in the consumption of fish in Ottawa, that is, taking the present and comparing it with five years ago?

The WITNESS: I could not do that, but in 1915 we handled over 100,000 pounds more than in 1914. That is fresh fish, leaving out of consideration herring, kippers and so on, in which there has also been a big increase.

Mr. FOUND: That is, you say there has been a steady growth all along the line.

The WITNESS: Yes, a very steady growth.

By the Chairman:

Q. What is the quantity of the fish you bring in by fast freight in the summer time?—A. We do not bring in very much by fast freight, that is fresh fish, because of the delay. I might say that a few weeks ago I was bringing some stock into Montreal, which reached there in the afternoon and got here the next morning before 10 o'clock. This week I received stock from Montreal which had been four days on the way owing to the storm. We cannot depend on the freight.

Q. You could in summer-time, so far as blockades were concerned, could you not?—A. Yes.

Q. Only then there might be a blockade of traffic?—A. Yes.

Q. Suppose the shipment of fish from Mulgrave to Montreal occupied 56 hours and then probably six hours longer from Montreal to Ottawa, and the fish were properly iced, it should reach you in good condition, should it not?—A. Yes, except in exceptionally hot weather.

Q. You produce a copy of an advertisement which you had inserted in the Ottawa papers, advertising February 29 as "Canada's Fish Day?"—A. Yes. It appeared in the three English papers and the French paper *Le Temps*.

Q. In that advertisement appears a list of the varieties of fish which you handle and the price in each case?—A. The price in each case.

Q. Did you have all these varieties of fish in stock at that time?—A. Yes, sir.

Q. In sufficient quantities to be able to supply the demand?—A. Yes, sir.

Q. And the prices you give here are the prices you charge your customers?—A. Yes, sir. I might say that the French paper advertised our oysters at 30 cents a quart, and we had to stand by that price too.

By Mr. Stewart (Lunenburg):

Q. Were those special prices for that day?—A. Yes, sir..

By the Chairman:

Q. They were special prices with the view of advertising fish?—A. Yes, sir.

Q. Did you find there was a pretty good demand?—A. We had a splendid demand. I don't think the trade in general did.

Q. You do not think the fish trade in general had a splendid demand?—A. No, sir, only our own stores.

Q. And that was the result of this advertising?—A. Yes.

By Mr. Chisholm (Inverness):

The advertising on that day?—A. We had been advertising for some days ahead of that through our stores.

By the Chairman:

Q. This was frozen fish you were advertising?—A. Except fresh caught haddock.

Q. With the exception of fresh caught haddock which was advertised at 8 cents a pound the other was frozen fish?—A. Yes, sir.

Q. Do you sell the fish prepared for the table or in its round state?—A. The fish in its round state except the soles. In the case of the soles we just trim the fins off.

By Mr. Chisholm (Inverness):

Q. These prices seem to be very reasonable. I see mackerel advertised at 8 cents a pound. What kind of mackerel are those?—A. Those are Atlantic mackerel.

Q. Not bloaters or anything of that sort?—A. No.

By the Chairman:

Q. How do these prices compare with your general tariff. Are they higher or lower?—A. Those are lower, those are special prices.

Q. How much are they below the ordinary prices?—A. Well, halibut we have advertised at 12½ cents and our ordinary price is 15 cents; salmon 15 cents, and we charge in the ordinary way 20 cents.

Q. That is Pacific Coast salmon?—A. Yes, sir. Trout 12½ cents, our retail price is ordinarily 15 cents; whitefish 8 cents—well, that varies all the way from 12½ to 14 cents. Pickerel 10 cents, our standard price this winter has been 12½ cents retail. Qualla salmon 10 cents; we usually retail that for 12½ cents. Fresh caught haddock retailed at 8 cents in this special case, but 10 cents has been the usual price for haddock in the winter, although in summer it is less. Sole 7 cents, but that is a special price. Our ordinary price has been around 10 cents, but some of the stores charge 12½ cents.

Q. These prices are from 25 to 30 per cent below the prices you generally charge?—A. Yes. We have tried on other occasions to separate the fish sales from the Friday sale by having our prices lower, but it did not seem to take.

Q. Do you not think it is possible by a campaign of education such as I alluded to a moment ago, to create a demand for fish all the year round, week in and week out, instead of it being largely limited to Fridays and fast days?—A. We are hoping to do that.

By Mr. Chisholm (Inverness):

Q. Do you not think the increase in the price of beef and other meats has had a good deal to do with increasing the market for fish?—A. Quite likely. Of course, you understand the firm I am connected with is a packing-house concern, but they are quite prepared to allow me to make the price as reasonable as possible. They prefer volume to profit.

Witness discharged.

MR. THOMAS BINNS.

APPENDIX No. 3

Mr. W. S. STOUT, President, Dominion Express Company, Montreal, called, sworn and examined.

Mr. STOUT: Mr. Chairman, before answering any questions I would like to make this statement. I have read the evidence of the gentlemen who preceded me in this inquiry, with the exception of that of Mr. Pullen, whose testimony was not printed in time for me to secure it. I have also had a talk with Mr. Pullen, not only with a view to discussing what evidence he gave, but also to show how far he thought we could go in meeting the wishes of the fishing industry in connection with the matter of rates, accommodation and facilities, and it seems to me that if you would allow me to make a little explanation as to the basis upon which our express rates are made, possibly it would save time in the end, and you would better appreciate the position of the express companies in the matter of rates, because I can see or believe, that there is a wrong impression along that line in the minds of the general public.

The CHAIRMAN: Is it the pleasure of the Committee that Mr. Stout shall have the privilege of prefacing his evidence by a very brief statement?

Carried.

The CHAIRMAN: Will you please make your statement as briefly as you can, as we want to keep the record down to as narrow a compass as possible.

WITNESS: Well, I might say that express rates are based not on the value of the product carried but rather upon the service which is rendered. It is not the purpose of any railway company to encourage any more express traffic than is necessary to the general interest of the public; neither is it the purpose of any express company to compete with the railroads for traffic that might be handled to the satisfaction of the public on a freight train. The express business is to expedite business and the rates which we charge are for the dispatch and the personal service which is rendered in connection with it. The Interstate Commerce Commission in fixing the rates which have been established in the United States gave this subject very careful consideration and, I am told, that it was a more puzzling subject to them than any other subject that has come before them. I have here a pamphlet issued by the American Express Company and it gives extracts from the testimony of Mr. W. A. Ryan who was the Interstate Commerce Commission expert before the Tennessee Railroad Commission in connection with the proposition to have the State Commissions adopt in their interstate tariffs the interstate basis so as to have uniformity. Mr. Ryan says: "In entering into the question of the express rate we find no recognized basis for express transportation rates." The testimony had been offered to the Commission going to show that between two and three times the first class freight rate would be a fair basis for express rate, but the Commission found after extensive investigation that such basis would not produce a rate that would be sufficient or satisfactory to the express companies and decided that the basis should include three elements: first, transportation, that is payment to the railway company for the rail haul and allowance for the car in transit; second, the railway terminal service, allowance for the railway terminals and for the express terminal service other than the pickup and delivery, that is the waggon service; and third, the pickup and delivery. They arrived at the rail haul part of the rate as approximately 15 cents for each 50 miles per zone 1, to which was added at that time 25 cents per hundred pounds for the rail terminal, and these two factors equalled approximately double the first class freight rates for the same distances. The service was treated as if performed by one agent, that is to say, the Commission deal with the question as if it were dealt with by one agency instead of by a railway company and an express company, as is generally the case in the United States. The charge for terminal service, waggon and delivery, was put down at 20 cents per shipment, or 20 cents per hundred pounds where the shipment happened to be 100 pounds weight or more. I might say

that in a recent decision of the Commission they have reversed these charges, they have transposed the charges of 25 and 20 cents, the effect of which was to give the express companies an increase of 3½ per cent in their earnings; and if you gentlemen have given any attention, which I doubt very much, because I do not suppose you are interested in the revenue of the express companies, you would have noticed that they had all lost money until this revision was made. The increase of 3½ per cent did not increase the cost very much to the individual shipper, but on the aggregate earnings it made a very material difference to the express companies in their earnings. The effect of the decision adopted by the Interstate Commission was that if you took any express rate for 100 pounds and deducted 25 cents, the remainder is approximately double the first-class freight rate between the same two points. Mr. Ryan was asked why double first-class freight rates and not double commodity rates were adopted, and he said because they concluded that a fair basis was double first-class freight rates. That is all I am going to give you from Mr. Ryan. I would say that in the express business under ordinary conditions there should be only one classification, that is there should be only one rate. It does not cost the express company any less to carry one hundred pounds of fish between Mulgrave and Toronto than it does to carry the same quantity of silk, except the difference in insurance, to the nominal amount of $50. I do not just know who is entitled to the credit for it, I think it is the Canadian Pacific railway, the first intimation I received of it was from that company, which in their desire to encourage agriculture and the settlement of the country, agreed in the very early stage of our arrangements with them to accept 33 per cent less from the express companies for the carriage of agricultural products than they did for merchandise. So you have two classes and the difference in the rate, or the cost to the express company on merchandise, and what is generally classed as general special in which fish was intended to be included, is 20 per cent, or less than 20 per cent—if you examine the tariff of rates which has been approved by the Railway Commission you will find that the rates for agricultural products is approximately 20 per cent less than the rate for merchandise. The tariff on fish is on a little lower basis generally than on the farm products. That can be explained in this way: Coming east around the north shore of Lake Superior where we had a long stretch of a thousand miles where nobody lived but a few fishermen, we attempted to build up some traffic, and with the co-operation of the railway company we were able to put in rates there that enabled those shippers to sell their products in Toronto, Montreal and eastern points in competition with Georgian Bay and Lake Erie shippers which at that time were plentiful. That accounts for the fact that these rates are less than for agricultural products. When we opened in St. John, N.B.—I don't know how long ago——

Mr. VICKER: Twenty-seven years.

The WITNESS: All the fresh fish, I think, came from Portland. The rate from Portland was 80 cents and the duty half a cent. Our traffic was very light, and we met that rate by making a rate of $1.30 from St. John, and that formed a basing rate from the Maritime Provinces. In British Columbia and the prairie provinces the rates are governed largely by rates similar to those charged in the United States for similar distances; and from Manitoba to eastern points they are in line, or in fair proportion, to rates established from Lake Superior. Now we have in Canada three standard mileage bases approved by the Board of Railway Commissioners. One is the rate east of Sudbury; the other is the rate west of Sudbury to the Mountains; and the third is the rate in the Mountain Section, and they are known as Scales "A," "B" and "C." Scale "B" which is the section between Sudbury and the Mountains, is 39·7 per cent over the rates east of Sudbury. Scale "C," which is the Mountain Section is 29·3 per cent over Scale "B," and 78·6 per cent over "A." Those differences in the rates are due to the difference in the cost of handling business in the several sections.

APPENDIX No. 3

By Mr. Stewart (Lunenburg):

Q. Is that to Montreal?—A. That is the mileage scale of rates applying within these sections. The average of the first-class freight rate to all of the express rates, assuming that we might have a shipment of one hundred pounds moved between each two zones, or two points, is 49·89 per cent, that is to say that the express rates on the whole are only slightly more than double the first-class freight rate throughout Canada, and that is less than the Interstate Commerce Commission basis, which gives double the first-class freight rate plus 25 cents per shipment, or for 100 pounds 25 cents per 100 pounds. The average fish freights, in less than carloads, from St. John, Digby, Halifax and Mulgrave collectively, carried on a net weight basis, is 61 per cent of merchandise rate and, 86·4 per cent of Scale "N," which is the farm products rate which I mentioned before. If we add 25 per cent for box and ice, or tare, which is the practice throughout Canada, except on the Atlantic coast, and throughout the United States, the rate would be 48·2 per cent of merchandise rate, and 69·1 per cent of Scale "N." From Vancouver, on L.C.L. lots the fish rate is 74·6 per cent of the merchandise rate. On the Pacific coast, 25 per cent is added for tare, and that is included in this figure. The C. L. rate is 54·1 per cent of the merchandise rate. To go into the details of your eastern traffic, if you wish it, from Mulgrave the fish rate on net weight, which is the practise, is 54·7 per cent of the merchandise rate, and 78·7 per cent of Scale "N," the Farm Products rate. If 25 per cent is added for box and ice, or tare, the rate is 43·8 per cent of Merchandise rate and 62·9 per cent of Scale "N." In the same way from Halifax, on net weight it is 60·8 per cent of Merchandise and 87·2 of Scale "N." If 25 per cent is added for tare it is 48·6 per cent of Merchandise and 69·7 per cent of Scale "N." From Digby on net weight it is 67·3 per cent of Merchandise and 94·4 per cent of Scale "N." With 25 per cent added for tare, it is 53·8 per cent of Merchandise and 75·5 per cent of Scale "N." From St. John, on net weight it is 62·8 per cent on Merchandise and 86·8 per cent on Scale "N," and with 25 per cent added for tare it is 50·3 per cent of Merchandise and 69·4 per cent of Scale "N." From Vancouver, on less than carload shipments, with 25 per cent added for tare, which is the rule there, it is 65·5 per cent of Merchandise, and 90·7 per cent of Scale "N." Now I would like to say that we find that while the rule is to add 25 per cent for box and ice, I do not think there is a single shipment where 25 per cent covers the tare. We had some shipments weighed yesterday at Montreal and on February 29 at Mulgrave, four of them. The aggregate weight was 1,230 pounds, destined to Stellarton, Moncton, Levis and Montreal. Some of these points are fairly close, and some are more than the average distance. Montreal is a little more than the average distance. There was 700 pounds net of fish on which they paid freight. There was 530 pounds of tare, being 76 per cent. If that had been billed at the gross weight which you pay for when you ship by ordinary freight, you get it on the basis of 13·2 per cent of the Merchandise rate. From Halifax we had on the same date two shipments to Wolfville and Springfield. The gross weight was 280 pounds, the tare 80 pounds, or 40 per cent of tare. The average rate on the net weight is 60·8 per cent of Merchandise; with 40 per cent of tare, it was 36·48 per cent of Merchandise. Now I would like to give you some comparisons of rates on fresh fish from Halifax with rates from Boston for similar distances.

By the Chairman:

Q. How would it be to hand that in in the form of a schedule?—A. I intend to place this schedule in your hands.

Q. It would give us more time to digest it. We would much rather have you do as other witnesses have done, hand it in to be attached along with your evidence as a document which you verify. We can study it then at our leisure.—A. It is my intention to leave that with you, in fact, I intended to hand it to you when I started.

MR. W. S. STOUT.

Q. We want to give the evidence in as small compass as possible because if it assumes a too bulky form we will not read it ourselves and nobody else will read it. Now, please continue your statement. A. The average schedule of passenger train or express train service on the Canadian Pacific railway, with which I have made comparisons and which I think will apply to other first-class roads, is 215 per cent of the average freight train service, that is, on the present time cards. In the summer time I think that the discrepancy as between freight and express trains would be greater.

A reference has been made in the evidence given here to the unloading in transit, and apparently in connection with that there is a misapprehension in the minds of some gentlemen, which I would like to correct. I have here a supplement No. 7 to I.C.C. No. C. 1183, C.R.C. No. 1797, dealing with the question of unloading in transit. I have no objection to leaving this with the Committee, rather than read it all, but I would like to say that it permits the unloading in transit at two points, and not at three points, as has been stated.

Mr. FOUND: It is three points if you consider the final point also.

The WITNESS: It may be unloaded at two intermediate points. That is the way in which it was spoken of before the Committee. Now, this reads:—

> "Carload shipments of fish from points in Idaho, Montana, Oregon or Washington to points in the States shown herein (except California) may be opened and partially unloaded at not more than two intermediate points through which the car must pass en route from initial point of shipment to final destination. An additional charge of $5 must be made for each such partial unloading. If desired, fish unloaded at intermediate points, under this rule, will be delivered by the Express Company to one or more local addresses for an additional charge of 15 cents per 100 pounds on the net weight of the fish so delivered.
>
> The above rule, insofar as it applies to carloads of fish, is issued in compliance with order of the Interstate Commerce Commission in Investigation and Suspension Docket No. 391 of date October 13th, 1914.

I think you will find this was done because of this circumstance: My understanding is, I cannot state it for a fact, that there was some one company in the days of competition when there were no National Commissions to regulate these matters, offered it as an inducement and having continued it for a considerable time were required to keep it up.

By the Chairman:

Q. Would your company consider doing that?—A. Yes, we will consider it, but we do not think it is quite fair to us, practically giving the shippers of less than carload lots the benefit of the carload lot rate.

Q. What objection would you have to that as long as you get your carload?—A. What is the objection then to having a less than carload lot rate if you are going to make a distributing car, and give the people the benefit of a carload lot rate?

Q. There is just this reason: Fish has to be handled rapidly and distributed economically, and it is only by doing these two things that we can succeed in developing this industry in a country such as Canada, whose long lines run east and west, and getting our sea coast fish into the interior markets. I do not want to make a speech at this juncture, but I must say that the transportation companies of this country have been generously bonused by the people of Canada, and none more so than the great Transcontinental railway with which your company is so closely identified. We think now that when we ask you to consider the interests not only of the producers of fish but of the consumers as well, and when we can show you, as we can by the evidence of men who have preceded you, that fish when carried by fast freight does not reach the consumer in prime condition, we do think we have an argument

which is absolutely unanswerable in favour of your running a car to be opened in transit or, as some have described it, a pedlar car.—A. I do not want to argue about the bonus part of your remarks. I do not think it applies to the Dominion Express Company—I won't say the Canadian Pacific are not under any obligations—because the express end of the railway is managed, maintained and operated, and has always been so, as a separate orgnization, and stands on its own feet.

Q. Stands on its own feet because it makes money?—A. I beg your pardon. I will show you a little later on that we are not making money.

Q. Have you got any figures which will show what the quantity of fish was which was carried from the Atlantic coast to Montreal by your company in the year 1907?—A. No, not the quantity, nothing for 1907.

Q. Can you tell the Committee what the earnings were in that year?—A. No.

Q. Can you for the year 1915 give us that information?—A. Yes, I can show the earnings but not the quantity. In 1915 the earnings of the company were $57,247.77 from 56 shipping points.

Q. On fresh and frozen fish?—A. I don't imagine we carry any frozen fish; it would be fresh and cured fish.

Q. Mildly cured fish, that is finnan haddies?—A. Yes, sir

Q. Has the quantity of fish carried increased between 1907 and 1915?—A. I am unable to say.

Q. Do you know whether or not more cars or messengers are required because of any increase in that class of traffic?—A. I will let Mr. Vickers answer that question so far as the eastern division is concerned. (To Mr. Vickers): How is that Mr. Vickers?

Mr. VICKERS: We require extra assistance on account of distributing.

The WITNESS: And more car space?

Mr. VICKERS: And more car space, yes.

Q. What is the carload express rate on fish, for mildly cured fish, from Halifax, Mulgrave, and St. John, to Montreal, Toronto, Winnipeg and Vancouver?—A. There are no carload receipts in fish—I have never been offered a carload.

By Mr. Found:

Q. You say you were never offered a carload? Was not a carload carried by your company from Lockeport two years ago?—A. There might have been an isolated case, but I can say that we have never been asked to give a carload rate or that a carload rate was called for.

By the Chairman:

Q. Supposing that different shippers were to consolidate their shipments in one car would you consider the question of giving a carload rate?—A. I am not prepared to answer that—or rather I would say that we would consider it, yes, but I am not prepared to say that we would give it.

Q. Before whom would you have to place that question, or when could you give an answer to a question of that kind?—A. That is a question which requires some consideration. I am not prepared to say what we would do. It is a departure from an established rule, not only in the matter of fish, but it is a rule that has a bearing on a large amount of traffic.

Q. Does it cost you any more to carry it because the load is composed of individual packages?—A. If it is loaded by the shippers at one time or without handling, or without additional wagon service, it would not cost any more. It depends upon the conditions under which you get it.

Q. Would it be feasible to have the car opened in transit if you gave carload rates?—A. It is possible, yes.

Q. At say, Montreal, Kingston, Toronto; Toronto being the last point?—A. From what point do you propose to start this car?

Q. Say any point in the Maritime Provinces on your line, or on any connecting line, say St. John, as an illustration?—A. If the car started at St. John it is practicable to make an opening at Montreal, but not Kingston, as the car does not pass through Kingston on the way to Toronto.

Q. What large centres does it pass through on its way to Toronto, other than Kingston?—A. Well, I suppose the largest possibly is Cobourg or Belleville. Our main line does not go to Kingston.

Q. It passes close, does it not?—A. It passes some twenty miles away from Kingston.

Q. You are not in a position to say to-day whether your company would consider either the granting of a carload rate, or the providing for opening of the car in transit? —A. With regard to the opening of the car in transit to which you are referring, I do not quite understand what you mean. Do you intend to provide that the owner or the consignee shall load and unload his fish, that the opening of the car shall not impose any labour on the express company, and that it shall not impose handling or a delivery service?

By Mr. Chisholm (Inverness):

Q. At what points in the east do you do business?—A. Practically at all points; there are some few points we do not touch.

By the Chairman:

Q. You say that the reason there had been no carload rate on fish from the Atlantic coast to Montreal was because you never had a request to make such a rate?—A. I do not know of any case where we have been offered a carload, or that we were informed that anybody as much as wished to ship a carload.

Q. Can you tell the committee by what process they will be able to learn the decision of your company on that score?—A. As to making a lower rate for a carload than the present rate?

Q. Yes?—A. I would say without any hesitation that we cannot make any lower rate for any quantity of fish that is now offering. You have now a lower rate for less than carloads than should have been given for carload rate.

Q. How does the rate from the east compare with the rate from the west, the Pacific rate, for example, on halibut?—A. Those are carload.

Q. You have given us the less than carload rates from the east, show us what is the carload rate?—A. The carload rate from what point in the east?

Q. I am speaking of the carload rate from St. John to Montreal. You tell me that your rate now is lower than what should be the carload rate. I am now asking if you will tell us what the carload rate is from the east so as to get it on the record. What is the rate between St. John and Montreal?—A. Well, I have handed you a statement giving that; there are rates from St. John to each of the different representative points between Montreal and Windsor. The rate from St. John to Montreal is $1.30.

Q. And what is it to Windsor?—A. $2.

Q. Now then what is the rate say from Vancouver to Montreal?—A. On less than carload lots?—

Q. No, on carload lots; I want your carload rate?—A. $3.

Q. And what is it from Vancouver to Boston?—A. $3.

Q. And to Now York?—A. $3.

Q. Well, how is it that those rates were so much lower than the westbound rates? —A. The rate was made by the railways for passenger train movement.

Q. Your rates from the east are made for passenger train movement too, are they not?—A. Yes. When we were opening up at Vancouver it was necessary to meet that rate.

Q. Then it is simply a matter of competition?—A. It is a competitive rate.

Q. Does it pay?—A. I do not think it does.

Q. Have you any figures to show whether it does or does not?—A. I have not.

Q. And if it does not pay, you have to make up what you lose in the operation of that service, if you can, by imposing higher rates on some other parts of the service, I suppose?—A. Yes.

Q. And then in order to account for this great discrepancy between your rate from Vancouver to Montreal, Boston and New York, we have merely to look at the rates between points on the Atlantic, and points like Montreal or Windsor, Ont.?—A. I do not think it can be said that the rates on fish contribute anything to the deficit on the movement of fish from the Pacific coast in carloads to New York, or Boston or Montreal.

Q. I am not speaking of fish alone, but of rates on all classes of traffic from the east?—A. Whenever you make a rate on any class of traffic, or in any district, that is less than the cost of the service, it has to be made up in some other district, as a matter of business.

Q. Because you have a competitive rate from the Pacific coast, and it is what you regard as an unduly low rate, the rates in other parts of your system are necessarily made higher?—A. Yes, if the fish is carried at a loss it would undoubtedly be. I would like to say that at the time the Canadian Pacific railway decided to meet that rate from Vancouver to Boston, or apply the same rate from Vancouver as was applied from Seattle to Boston, the complement of our trains was about six cars, and it was contemplated that that car could be hauled without adding materially, if at all, to the expense of the movement of that train. The Canadian Pacific Railway under its contract with the Dominion Express Company cannot haul freight on a passenger train. The consequence was that the business was handled by the express company at the rate named for freight service in the United States on passenger train movement, and the earnings were divided between the express company and the railway company in the ordinary course and subject to the general conditions of the contract. The business of the railway in general has grown to that extent that sometimes the movement of a car now means a second section of the train, and that is why it is important to get the traffic in fish. But it is a difficult matter to calculate any one class of traffic and figure out exactly what it costs you; you can only get at the averages.

Q. You still do business at that rate?—A. Yes.

Q. And you would not, of course, consider giving it up unless you were obliged to by reason of competition?—A. It is a difficult matter, after you have had business for a period of twenty years, to let go of it.

Q. Would it not be an advantage to the express companies to have shipments of fish go forward in carload lots, for the reason that no special messengers in charge would be required?—A. You mean without any opening in transit?

Q. Yes.—A. And to be handled by the shipper and consignee at point of shipment and terminal, thus saving the company any terminal expense?

Q. I mean to go forward in precisely the same way as shipments do now?—A. The express companies perform the waggon service some little advantage, it is not a great advantage, the difference in what you would pay for the cost of handling at the way stations.

Q. Then it would not be of sufficient advantage to make it an element in the formation of the rate?—A. It is customary to make a lower rate for carloads than for less than carloads, provided your less than carload rate is on a fair basis.

Q. Has your company ever considered the suggestion of partitioning off a section of your express cars that can be cooled with refrigeration, for the carrying of fish?—A. Yes, sir, we have given it very careful consideration on several occasions.

Q. And what is the conclusion at which your experts have arrived?—A. I won't say they are experts. But it is a difficult matter to deal with.

Q. What are the objections to it as nearly as you have learned?—A. It involves the placing of a permanent partition in the car, with a door of the refrigerator car type, so that access to that end is possible from the other end if necessary; and the strengthening of the springs on that end of the car to carry the additional load; because if you put a super-load in one end of the car without a corresponding balancing on the other end, your car is going to tilt, and it is not a safe running car from an operating point of view. But I am told it is mechanically possible to make such a car, and that by building, or rebuilding, cars for the purpose it would be practicable to run a car in that way.

Q. Would your company be disposed to do that in order to encourage this traffic—A. We are, and while I have not asked the railway company if they will incur that expense, I think they will. They are quite as anxious as we are to do all that is possible in this matter.

Q. Would that involve any reclassification of the rate?—A. Oh, no.

By Mr. Chisholm (Inverness):

Q. That would be a matter for the railway company to do?—A. We would have to arrange with the railway to provide us with the cars to suit the requirements. They tell me mechanically it is a possible thing to do, and probably from an operating point it could be accommodated. But it has this disadvantage: we practically have to work very much the same as working two cars, because this refrigerator end of the car would be practically shut off from the main body of the car. We might have some difficulty, such as was spoken of by Mr. Byrne the other day, in his reference to a cold storage plant which would admit a freight car, he could not insulate so big an affair; and it may be difficult to insulate that compartment as thoroughly as we wish. We do not know how far we can go; it has never been tried. I may say that I discussed this question with Mr. Gutelius, General Manager of the Government railways, last night, and he told me that the new cars which the Government is building are built upon the plans of the standard car of the Dominion Express Company, and that means that there are no heating pipes in the ends of the cars; but all the heating pipes are between the two side doors, so that there is a cool end in the car. Then there is an opening in the cars, near the floor, in which you can raise a slide to let in air, if that will answer your purpose. I am told it would be practicable—but there may be some little difficulty to overcome—to put in a bunker for ice, if ice is wanted in the summer. The old cars of the Government railways are being remodelled, and the pipes are being taken out of the ends of the car and concentrated in the centre. That is done at our request. There is another difficulty: it is a little difficult to maintain or keep a certain number of cars absolutely on one run. Shortages in equipment sometimes occur because of increased movement in some direction, and cars get shifted off. There would always be that danger, that while we provide sufficient cars to meet that traffic, it is possible that, when you have a considerable shipment to make, that car will not be there,—unless you make all the cars like that; and we could not.

Q. This matter of subdivision in the express car for the purpose of carrying fish in summer and winter has been under consideration, and you are inclined to think that your company will consider it favourably?—A. We feel quite confident they will do what they can in that direction.

Q. The shippers and wholesalers have stated that they regard it as an element of the successful working out of the business of transporting fish in good condition?—A. Yes. I would like to say right here, that at the present time on shipments from other than points east of New Glasgow, or rather from points exclusive to the Government railways, that we use the same style of a car on sections. We have had no complaints about the condition of fish, except the Atlantic fish. Now, is that because of a lack of proper facilities, or is it due to other causes over which the express companies have no control?

Mr. FOUND: Would you kindly repeat that?

The WITNESS: I say that the same style of car is now used by us on the lines of the Canadian Pacific from Halifax, Digby, St. John, and St. Andrews, as we use throughout the country on the lines of the Canadian Pacific Railway, that fish is carried all over the country by us, and that we have no complaints about the condition of that commodity except in regard to the Atlantic fish.

Mr. FOUND: But is it not a fact that the shipments from the west are practically all in carload lots and refrigerator cars, whereas in the case of the Atlantic Coast it is not so?

The WITNESS: No, Mr. Found, the carload business is the small part of the business in any district.

Mr. FOUND: Are there any shipments from the west coast to points east of Winnipeg that are not shipped in carloads?

The WITNESS: No, I do not think any shipments in less than carload lots are made east of Winnipeg. It is 1,400 miles from Vancouver to Winnipeg.

Mr. FOUND: The fish coming to Winnipeg from the west comes in carloads, doesn't it?

The WITNESS: I think it does, but I could not say positively.

Mr. FOUND: It certainly has for these last few years.

The WITNESS: Of course packages running all the way from 25 pounds up are being shipped from Vancouver all over the prairie provinces.

Let me ask what about your Lake Superior fish? We have been carrying that fish ever since the railway was opened in 1885-6. Mr. James said here the other day that he received his lake fish in good condition. Mr. Binns knows about the Lake Superior fish trade. He can tell you all about it, and I would be glad if he would do so. We have not had any complaints about Lake Superior fish.

By Mr. Chisholm (Inverness):

Q. Is it your idea that the fish from the east is not put into your cars in first-class condition?—A. No, doctor, I am not saying that, I do not know, but what I do not understand is this: That we have had complaints about the fish from the Atlantic Coast not coming in good condition and where we have exactly similar facilities and accommodation in other parts of the country, we have no complaints. Whose fault that is, I do not pretend to say. I would like to know.

By the Chairman:

Q. The evidence we have had here has been to the effect that the fish is well packed in ice when it leaves Mulgrave for Truro where the shipments may be consolidated in one car, but that when the commodity reached Montreal, or points west of Montreal, the ice had melted leaving the fish, as one witness expressed it, high and dry. In other words, the fish is exposed to heat in winter because of the necessity for making the car habitable for the messenger or whoever is in charge, and in summer it is exposed to the rays of the sun. That is the reason why demands are being made for some improvements or alterations in the car which will enable the fish to be carried without deterioration.—A. An express car is made up for all kinds of goods. We have got fruit that has to be kept from the frost, we have got fish that has to be kept cool, and other things necessitating various degrees of temperature in a car 60 by 9, and 10 or 8 overhead. It is not an easy matter to accommodate everything. We have succeeded fairly well by putting the fish in the far end of the car with openings on the sides to let in the air in the cooler weather. As I said before, we have

had no complaints about the condition of fish except what I have heard since this investigation started. Since then I have heard that there were complaints about the condition of Atlantic fish.

Q. Have there been any claims against your company on account of fish being received in a partly scorched condition?—A. Mr. Vickers and I were discussing some fish which came in recently, where the ends of the boxes were hot, although they had been set away from the car pipes. That was in a car in which the pipes were carried all round the car. These pipes are going to be removed from the ends of the car and I think probably that will overcome the difficulty which has arisen. Mr. Gutelius has promised me that he would take the pipes out of the ends of the car on the Government railways, so that they will conform to the standard of the Canadian Pacific.

Q. Are you now disposed to go on and ask the Canadian Pacific Railway to furnish you a car like this for experimental purposes? I mean with one end partitioned off?—A. It does not mean one car but seven or ten cars, and if new cars are built it means an expenditure of $130,000. It means also that the material for these cars could not be got at the present time under any circumstances or for any price. That is my information.

Q. Then you do not see your way clear to do it?—A. Please do not jump at a hasty conclusion. I was going to say that if the railway company will consent I will use my best efforts to have partitions put in in some of the cars that are now running, some of the old cars, as an experiment, to see what we can make out of it.

Q. Do you think that by improving the condition of fish as it is laid down in the interior markets, we could increase the demand for Atlantic fish?—A. I think you ought to.

Q. Is your company interested in increasing the quantity it handles?—A. Yes, but I would like to qualify that without it going into the record.

Q. Is it a desirable class of express matter?—A. In the year 1914 the Dominion Express Company lost on its transportation operations $136,571, that is to say that the earnings of the business did not pay the expense of doing the business, by that sum. I wish to call your attention to the fact that that was before the war started. For the year 1915 the company had a loss of $365,259. Now, gentlemen, if the fish is carried at 50 per cent, or only about one-half, of the merchandise rate, and all the traffic with the higher and lower rates does not pay the cost of operation, you will probably judge whether fish is a desirable commodity to carry at present rates.

By Mr. Stewart (Lunenburg):

Q. Under these circumstances how long do you propose continuing in business?—A. I don't see how we can quit, but we cannot go on indefinitely on that basis. As I explained at the outset, it does not cost the express company any less to carry your fish than it does to carry butter and eggs. The only advantage we have is the concession the railway company gives us on the fish, and the fish is a commodity which requires special attention and sometimes re-icing in transit. Then the ice or water from the fish is something that causes damage to other goods. Now, we are carrying your fish for about one-half of what we charge for merchandise, or making the allowance which we are in a position to make by reason of the concession of the railway company, we are carrying it at 60 per cent less than we are charging for farm products, and we are losing money on the whole operation.

By the Chairman:

Q. You would still have to run your express cars even if you did not have them full, would you not, as long as you remained in business?—A. Yes, I suppose so.

Q. And it would be better to have a car well filled than to have one only partially filled, even though filled with a lower class commodity?—A. That is presuming we are supposed to pay for the car. Is that in your mind?

Q. Yes?—A. That is not the case. We pay in some cases first-class freight rates for the carriage of second-class matter, farm products, etc., and in other cases we pay one and a half first-class rate on merchandise; that is to say we pay 150 per cent on matter that is classified as merchandise, and we pay 100 per cent on other matter, and on some roads we give a guarantee that the earnings of the railway company will not be less than a certain minimum amount, and it is not unreasonable that they should ask to be guaranteed against loss on the accommodation that they provide. On other roads we give 50 per cent of our earnings to the railway company, in no case more but in some cases less, some as low as 40 or 45 per cent of the earnings.

Q. Nevertheless if you haul the car from Mulgrave or from St. John to Montreal and you have a portion of it unfilled, a portion of it available for express matter, would it not pay you better to have that unused portion of the car filled with fish than it would to have it go empty?—A. Well, we are prepared to accept additional fish, but it has not been offered under the present unfavourable conditions.

By Mr. Chisholm (Inverness):

Q. But, as the chairman has asked you, would it not pay you to have the unused portion filled with fish?—A. I do not think it does pay us now; as the situation presents itself in these figures it would appear that the more fish we get the worse off we would be.

By the Chairman:

Q. I do not want you to put on the record the impression which might be created by that statement that you lose this money because you are handling fish?—A. I have no intention of leaving that impression; I am merely stating the fact as I found it.

Q. You say you are carrying this low class commodity at a loss at the present time?—A. At the present time we are making a loss on our total business.

Q. Is that because of the small volume of traffic?—A. No, I would not say so.

Q. Do you say that your rates are too low?—A. They are too low.

Q. Generally speaking, you say that your rates on the express business of Canada are too low?—A. We have suffered by some depreciation of business, perhaps, on account of war.

Q. What do you mean by that?—A. That there is a smaller volume of business since the war.

Q. Has not your loss been due to that?—A. Some percentage of it, but how much it is hard to determine.

Q. In the years 1914 and 1915 did you make a loss or profit?—A. In 1914 and 1915 we made a loss and in 1913 and previous years there used to be a profit.

Q. Your rates have not been changed in the meantime, have they?—A. In 1913 the rates west of Lake Superior, local and through rates, to some extent were reduced.

Q. Would that account for the loss made in the following year, 1914?—A. Not wholly, but partly.

Q. To what extent would it account for it?—A. It is difficult to say.

Q. You have not made a calculation to determine that?—A. It is very difficult to determine how much was due to the war, how much to the reduction of rates, and how much to the competition of the parcel post.

Q. Then the decrease in the volume of business has been mainly, in your judgment, responsible for the loss suffered by the company in 1914 and 1915?—A. No, I cannot say so.

By Mr. Stewart (Lunenburg):

Q. How else can you explain the loss if the rates remained the same?—A. The rates are not the same. We had a reduction in rates in 1913 and we had competition in the parcel post, and we had competition from other railways.

Q. That would only affect, as the Chairman said, the quantity of express matter you carried?—A. It affects the quantity, yes. It takes away a considerable portion of the traffic that we handled on a better basis than that which remained.

By Mr. Chisholm (Inverness):

Q. And that competition compels you to bring down your rates?—A. No, it has not that effect, because the rates are fixed by the Railway Commission.

Q. You say they were brought down in 1913?—A. Yes.

Q. Why did you bring them down?—A. By order of the Railway Commission. It is possible, I am not prepared to say, that we went farther in the reduction of rates than we should have gone.

By the Chairman:

Q. Then it is not in the mind of your company at the present time to favour the carriage of fish from the Atlantic coast to inland points?—A. It is not in our minds to discourage it; on the contrary we are endeavouring to encourage all the business we can.

Q. Then your company does, as a matter of fact, desire to encourage, in so far as they can, the transportation of fish from the Atlantic coast to the interior markets of Canada?—A. We do, and we will.

Q. Would your company be prepared, in order to carry out a policy of that sort, to consider favourably the idea of giving a carload rate?—A. Not at less than the present rates.

Q. Well the present rates are less than carload rates, are they not? The present rate applies to a shipment of 500 pounds, does it not?—A. To a shipment of any size.

Q. To a shipment of any size less than a carload lot or more than a carload lot?—A. Any size.

Q. It is generally customary, is it not, to make carload lot rates?—A. On merchandise.

Q. What kind of merchandise?—A. Wherever you have anything to gain by making a lower rate.

Q. When there is any saving to be made you can make up a carload rate?—A. Not on Atlantic fish shipments—there may be a saving made, but what I say is that the rate already is lower than it ought to be even on carload shipments.

Q. But not low enough to cause a loss in carrying it?—A. We would not make a rate which would be so low as to cause a loss to the company.

Q. Do I understand that you regard the present rate as being one on which you cannot make any money in the carriage of fish from the Atlantic coast to the interior?—A. Yes.

Q. You consider that you are doing that business without making a profit on it?—A. Yes.

Q. And it may be that you are making a loss on it?—A. Possibly.

Q. Have you ever ascertained, or endeavoured to ascertain what the loss is?—A. No, I can only get at it comparatively by taking the rates on fish and comparing them with the rates under Scale "N," on farm products. On the whole business there is a loss and, as the rates on fish are lower at the present time than on merchandise the loss must be heavier on fish than on the other business.

Q. Is there a loss on your business between Montreal and the east?—A. We do not segregate the earnings by sections or divisions.

Q. You are not prepared to say then that you have experienced a loss in the last two years?—A. No.

Q. The rates in the West being less, that is in some parts of the West, for long hauls, it is possible that some of the losses experienced might be due to that?—A. I do not think the rates are less except as regards shipments of fish in carloads.

APPENDIX No. 3

Q. What part of the Government railway system do you operate your business over?—A. All lines.

Q. On the Intercolonial from Mulgrave to Montreal?—A. Yes.

By Mr. Chisholm (Inverness):

Q. Do you operate from Sydney?—A. From Sydney to Montreal.

Q. Do you go over other branch lines of the Intercolonial railway?—A. Yes, I think we operate practically all of the branch lines tributary to the Intercolonial.

By the Chairman:

Q. They furnish the cars?—A. Yes.

Q. And they provide any improvements required in the cars?—A. It will have to be arranged with them.

Q. How are the receipts of the business divided between you and the Government railway?—A. Fifty fifty.

By Mr. Stewart (Lunenburg):

Q. Do you do business with the Halifax and Southwestern railway?—A. No, they operate their own express.

The CHAIRMAN: Can you tell us how many officers you have between Sydney and Montreal on the Government railway? Do you use the Intercolonial staff for the purpose of your business?

Mr. VICKERS: We have route agents and superintendents.

The CHAIRMAN: They would be only a few?

Mr. VICKERS: You mean regarding station agents? We employ the Intercolonial railway men in most cases. We have several of our own exclusively.

Mr. TURGEON: Your agents are not always I.C.R. employees?

Mr. VICKERS: No.

By the Chairman:

Q. Could the Intercolonial by organizing its staff operate an express business over its lines in the territory now served by you?—A. They could on their own system. I do not wish to be understood that they could do it to the same advantage to the public covering the whole territory we do.

Q. But the territory which they cover could still be served by an express company operated by them as well as by another express company?—A. It could be done locally, the local traffic could be handled.

By Mr. Chisholm (Inverness):

Q. The local traffic of their own line?—A. To just as good advantage probably as anybody else could handle it.

Q. For instance, the Intercolonial station agent at Mulgrave is also your agent?

Mr. VICKERS: Yes.

Mr. CHISHOLM (Inverness): Why could not the same man do express work for his own line?

Mr. VICKERS: He could.

By the Chairman:

Q. You would not feel disposed to go any further in an expression of opinion as to what would happen if the Intercolonial were to organize an express company, I suppose?—A. I would want to say this, that there is an advantage to the public in

having the traffic handled by one company carrying on its operations throughout Canada, which expedites the movement of the traffic, and provides for through rates and obviates a good deal of clerical labour. Any railway undertaking an express service would have to organize an express branch and a force to carry it on.

The CHAIRMAN: I might just say here that we have heard so much about the advantages accruing to those shipping from the West as the result of what you have termed, technically, a competitive rate, and thus getting reasonable rates of transportation, that perhaps the Intercolonial might go into the express business and assist in that way. You see, apart from every other consideration, it would be, I suppose, a competitor in a small way, and the idea, perhaps, is worth consideration. That is the reason I ask you these questions.

By Mr. Chisholm (Inverness):

Q. While you are on that point, what extraordinary departure would it be necessary for the Intercolonial to take in order to carry on its own express service? For instance, we are talking of fish now: what new machinery would be required for that service?—A. They could carry it on their trains. They would have to establish offices in cities like Montreal, Quebec, St. John, and other centres, where there is very considerable expense involved. A wagon service should be established, which is an expensive feature, but which could be handled by our company at probably a very considerably less expense than they could handle their own separate business, because we have to have a certain amount of facilities and equipment in these cities anyway. My opinion is that the expense of maintaining the offices would absorb all the profits of their operations and perhaps more.

Mr. FOUND: There is just one point I would like to have cleared up. It may have been my misapprehension, but, if so, I would like to have it stated. I understood you to say some time ago that it was only on shipments from the East that the net weight was charged; that on all other shipments 25 cents was added for the package.

The WITNESS: On Atlantic fish, except fish in carloads.

By the Chairman:

Q. Have you any suggestions to make to the Committee, Mr. Stout, which would be helpful in enabling us to solve the problem of getting this Atlantic fish on the table of the consumer as expeditiously as possible, as economically as possible, and in first-class condition?—A. Well, I was in hopes you would not ask me to express an opinion about it. I have given the matter some thought.

Q. You need not express an opinion unless you wish.—A. It seems to me it is a matter for the consideration of other people. The Dominion Express Company is prepared to do all it can to assist in the matter. But I have this thought running in my mind; that you need to educate the people not only to eat fish but to pack and ship fish. Now you give us cases on the Atlantic coast that weigh five or six hundred pounds gross, and where fish is handled on a passenger train, and has to be loaded expeditiously, it is a difficult matter to handle a package of that size and do it carefully; and the only way to get it on is to turn it over two or three times, thus disturbing the contents. Take the fancy grades of fish; if these could be packed 100 pounds to the box, we would have a package which any man can take and lift and set down again. And if you had it properly packed at the start, and put in sufficient ice—and I wish to call attention to the fact that we have continued to carry the fish on net weight basis to enable you to fully ice your fish to carry it through in good condition from the point of shipment to the point of distribution—conditions would be improved. And I think, probably, if you could do something to show people how to cook fish and let them get a taste of good fish properly cooked, you will do a good deal to expand your trade.

Q. Do you think that a demonstration kitchen established in important centres in Canada would be useful to that end?—A. I should think it would be. Unfortu-

nately, I was not at home during Exhibition time last year, and I did not see what occurred there, along that line.

But I would make this further suggestion, possibly it is no part of my business: the payment by the Government to-day of one-third of the express rates on fish, which is practically an average of about one-third cent per pound, may have served good purpose. I am not questioning it at all, I have no comment to make about it, but Mr. Binns told me that the purchase of fish for household purposes is a matter of six or seven pounds at one time, and if that one-third cent is not lost between the point of shipment and the point of distribution, the householder who buys that average amount of fish for daily use has effected a saving of something like one to two cents on his package. Now, I do not believe it counts with him at all, but it does seem to me that if that amount of money was expended in trying to educate (first) the shippers as to the proper way to pack their fish and the proper package to forward it in, and (second), to educate the public as to the advantages and the qualities of fish, and appetizing methods of cooking fish, it would serve a much wider purpose and would go a great deal further in developing the demand for and increasing the consumption of fish.

Witness discharged.

Committee adjourned.

HOUSE OF COMMONS,
ROOM 301,
THURSDAY, March 9, 1916.

The Committee met at 11 o'clock, a.m., the Chairman, Mr. Jameson, presiding.

THE CHAIRMAN: It was the intention to-day to take the evidence of Mr. Hayes, of the Intercolonial railway and of Mr. A. E. McDonald, of the Canadian Pacific Railway Company, but the latter gentleman, through the local solicitor of the Canadian Pacific, has informed me that his attendance is required to-day at a meeting in Toronto which was arranged before he received his summons from this Committee. He also says that it would not be convenient for him to attend here on the 14th or 15th of this month because of other imperative engagements. Therefore, when we rise this morning we might consider adjourning to a date which will suit the arrangements of this gentleman, who appears to be rather busy.

Mr. C. A. HAYES was called, and having made affirmation was examined as follows:

By the Chairman:

Q. What is your official position on the Intercolonial?—A. General Traffic Manager.

Q. How long have you been with that railway?—A. A little over two and a half years.

Q. Before that time what experience had you in railway work?—A. About thirty years' experience.

Q. With what company??—A. About twenty years with the Grand Trunk and the previous period with the Boston & Maine.

Q. Then you have had a general railroading experience?—A. Yes, in the traffic department.

Q. Can you state the rates on shipments of fresh fish by refrigerator car, in carload or less than carload lots, from Mulgrave to Quebec?—A. Not from Mulgrave to Quebec. I think, though, the rate to Quebec is the same as the rate to Montreal.

Q. Give the rate from Mulgrave to Montreal on carload and less than carload lots?—A. The carload rates on fresh fish are 28 cents per 100 pounds, on less than carload lots, 38 cents per 100 pounds.

Q. You think the rates to Quebec are the same?—A. My impression is that the rates to Quebec are the same.

Q. What are the rates on carload and less than carload lots to Toronto?—A. Rates to Toronto on fresh fish: carloads, 35 cents per 100 pounds, less than carload lots 70 cents per 100 pounds.

Q. Now give the rates to Hamilton?—A. Mulgrave to Hamilton, the carload rate is 36 cents per 100 pounds. The less than carload rate I cannot give you, but I think it would be 72 cents per 100 pounds.

Q. And the rates to London, Ontario?—A. The carload rate to London, Ontario, is 40 cents per 100 pounds. I cannot give you the less than carload rate to that point.

Q. What is the carload rate to Windsor, Ontario?—A. I have not that information.

Q. Have you the rate to Winnipeg?—A. I have not that either.

Q. Nor the rate to Calgary and Vancouver?—A. No.

Q. What are the rates from Halifax to Montreal?—A. The rate from Halifax to Montreal on fresh fish in carload lots is 26 cents per 100; less than carload, 35 cents per 100 pounds.

Q. Are these rates on the net weight of the fish? Or are they based on the gross weight of the package, including the ice?—A. The gross weight of the package including the weight of the ice that is in the package.

Q. We have had the evidence here of some express men, and the express rates they told us, are based, not on the gross weight, but the net weight of the fish. Has it ever been considered by the management of your railway whether it would not be a fair thing to base the freight rates on the net weight instead of on the gross weight of the package?—A. I think we have taken that feature into consideration when we have made the freight rates as low as they are. It is not the practice in the handling of any freight to make the freight rate apply to the net weight of the contents of the package: the freight is assessed on the tare as well as the net.

Q. What other class of merchandise reduces its weight during transportation by reason of the melting of ice?—A. I do not know. There would be very few commodities.

Q. As a matter of fact, there are none, that you handle?—A. None that I know of.

Q. And therefore fish is in a special class by itself?—A. Yes.

Q. Can you tell the difference between the net weight of the fish and the gross weight of the package in which it is shipped?—A. Including the ice?

Q. Yes.—A. It has been estimated to be anywhere from 25 to 40 per cent; that is the net weight is that much less than the gross weight, but that would vary, I imagine, according to the season of the year and the quantity of ice the shipper places in the package.

Q. That ice is largely gone by the time the fish reaches its destination?—A. I could not say as to that.

Q. The evidence of the men who have been heard is that such is the case. That being so do you not think it would be very reasonable on the part of the railway companies to take into consideration the loss in weight in framing the rates?—A. As I have already said, the railway has done that in making its freight rates as low as they are.

Q. In what way? To what degree are the rates on fish lower than the freight rates on any other commodity of anything like a similar character?—A. On the Intercolonial railway we have endeavoured to give as much encouragement to the development of the fish traffic as we possibly could. The through carload rate from Mulgrave to Montreal is 28 cents per 100 pounds. The less than carload rate which I have given as 38 cents would under the ordinary classification be 60 cents. These rates, which have been in effect for a great many years, were put in, as I understand, to assist in bringing fish from the Maritime Provinces into the Montreal and western markets.

By Mr. Kyte:

Q. Have the freight rates on the I.C.R. not been increased?—A. No, not on fish.

Q. The increases did not apply to fish?—A. No.

By Mr. Sinclair:

Q. They did not apply to the local traffic?—A. Do you mean the local traffic to Montreal?

Q. No, the local traffic along the route.—A. You mean in the Maritime Provinces?

Q. Yes, the Maritime Provinces.—A. There may have been some small increases made there.

Q. We were told by the Minister of Railways that the rates had been increased. A. There may have been some small increases.

Q. Are you not familiar with that?—A. I am not familiar with that. I am speaking now with reference to the rate to Montreal.

Q. The through rate?—A. The through traffic.

APPENDIX No. 3

Q. You would not say there have not been any increase in the rates applied to local traffic?—A. I will not say there has or has not been. I would want to verify it.

Q. Was there any general increase in the local traffic rates a few years ago?—A. There was a general increase in the class rates but on fish we have what we call "commodity" rates that are usually lower than class rates.

Q. Are you in charge of this branch of the service?—A. The freight service?

Q. Yes?—A. Yes.

Q. And you tell me you do not know that there was an increase in the local traffic rates. You are not certain about that?—A. I am not certain—as far as fish rates are concerned.

Q. I am surprised at that. There was a good deal of discussion in the Maritime Provinces on that subject the last two years.—A. As to fish rates?

Q. Yes?—A. We have never heard of any discussion or complaints with regard to fish rates in the Maritime Provinces.

Q. You never heard any objection to the increase in the local fish rates?—A. No.

By Mr. Kyte:

Q. How do your rates compare with the rates of the C.P.R. from Halifax to Montreal?—A. The C.P.R. do not handle fish from Halifax to Montreal, unless they handle it by way of Digby.

Q. They do not carry it through from Halifax?—A. No.

Q. You say there is no classification of fish by the C.P.R. from Halifax to Montreal?—A. No, they have no rates from Halifax to Montreal. We have all the fish business from Halifax to Montreal.

By Mr. Sinclair:

Q. Does not the C.P.R. carry fish from St. John to Montreal?—A. They handle it from St. John; they have a much shorter line from St. John than the I.C.R.

Q. Have you any information as to how rates on the C.P.R. from St. John to Montreal compare with those on the I.C.R.?—A. They are slightly lower on account of the difference in the mileage. The C.P.R. has a shorter line.

Q. You say this rate you quoted to us at 28 and 38 cents was introduced a number of years ago. Do you know how many?—A. No, I cannot tell you. It must have been a number.

Q. It is quite an old rate?—A. I do not think I have the information here. (Consults documents.) I have not anything here that would show how far back it goes. I can trace it back here as far as 1910.

Q. It was prior to that time?—A. I think, however, it had been in effect quite a number of years before that.

Q. There has been no reduction made in the rates on fish for a number of years?—A. No reduction; not to Montreal.

Q. We have been informed that the express service is not satisfactory. I would like you to tell us why the Intercolonial does not furnish suitable cars for transportation of fish by express?—A. Before you come to that question I do not want to mislead you as far as there having been no advance in the fish rate. Beyond Montreal, to Toronto and other points the rates were, I believe, advanced a number of years ago at the instance of our rate committee. But there has been, as far as the I.C.R. is concerned, no advance, because locally down there in the Provinces the shipments have been so small nobody has ever made any comments whatever to us in that regard. As an illustration take the measure of the rate from Mulgrave, say to Montreal and contrast it with the rate on the C.P.R. from Owen Sound, where the lake fish are shipped to Toronto, which might be of interest to the Committee.

Q. I want to follow this I.C.R. question a little farther.—A. All right, sir.

Q. What facilities are there for local shippers to send fish by cold storage at these freight rates on the I.C.R.?—A. Locally?

Q. Yes, locally?—A. Well if they have a sufficient quantity, say 10,000 or 12,000 pounds that would justify the railway in furnishing a refrigerator car.

Q. That is with a through rate to Montreal?—A. No—well it might, sir, if the shipment at Mulgrave, Halifax or Moncton was in sufficient quantity.

Q. Ten or twelve thousand pounds is a very large quantity. I am talking about the local dealer who wants to get an order of fish from some wholesale dealer at the coast. He perhaps wants 500 or 100 pounds of fish. Is there any regular service of which he could avail himself?—A. Freight service?

Q. Yes?—A. No.

Q. That is an important matter to the trade locally. My view is that we could build up a large trade in the Maritime Provinces among the various towns and cities if we had regular railway accommodation of that kind.—A. That might be possible. We have, however, never had any such service nor any demand for a service of that kind as indicating that there was any trade movement along the lines you speak of.

Q. Then there is no service on the Intercolonial by which small shipments of fish can be sent by refrigerator cars, either by express or freight, between points in the Maritime Provinces?—A. None.

Q. Do you think that is a proper service?—A. We would like to see an actual demand for business there, but we haven't seen it, Mr. Sinclair. I have no doubt if there are any consumers, or any producers there who want to make those shipments they will come to us.

Q. How do you expect to see this business develop until you provide the necessary facilities?—A. The man who thinks he has an opportunity to do business usually comes around and asks you whether you can take care of it for him.

Q. There is no doubt that the fish business is quite a large business, and will be much larger if it is developed; but there are absolutely no facilities for the shipment of small quantities of fish along any part of the Intercolonial either by express or cold storage?—A. No.

Q. And after so many years the situation is that we have not got any farther?—A. But if there were a well defined demand for the service we would hear of it. If you will give me the name of a shipper or a consumer who wants such a service, and who is able to say what quantity of business he will assure us, we will be very glad to take care of that business.

Q. Will you tell us how much fish you carried last year?—A. I cannot tell you that, but I can give you the figures from Mulgrave both by freight and express.

Q. Do your figures include the local traffic?—A. I think they do, but I was called here so suddenly—I was away from Moncton at the time I was summoned—and I am not sure on that point. Here is a statement of the shipments from Mulgrave for twelve years both by freight and express, and as near as I can determine it must include the local as well as the through business. But I would not want to make a definite statement that it only covers the through business; I think it covers both the local and the through business.

Mr. SINCLAIR: I think it would be better to have that on record.

The CHAIRMAN: Yes, that should go on the record.

WITNESS: It might be interesting to the Committee to have the figures which are as follows:

APPENDIX No. 3

MEMORANDUM OF FISH SHIPMENTS FROM MULGRAVE.

Year.	By Freight, tons.	By Express, tons.
1903	1,420	180
1904	1,710	318
1905	2,047	526
1906	2,275	436
1907	2,086	438
1908	2,274	754
1909	1,966	450
1910	2,484	576
1911	2,732	601
1912	2,372	1,486
1913	2,793	1,374
1914	2,800	1,063
1915	2,930	1,444

The year 1915 is the largest in freight tonnage and the second highest in express tonnage.

By Mr. Sinclair:

Q. Have you got the corresponding quantities from Halifax?—A. I have not the express shipments from Halifax and I am not so confident about the correctness of the freight figures I have from Halifax. I have the freight figures here as they have been given me but I have not had time to analyse just what they cover.

Q. Are these figures from your books at Mulgrave?—A. Yes, based upon reports from the agent at Mulgrave. At Halifax I doubt if these figures I have are correct. I will get the information from Halifax if you wish. My statement shows such a small average that I am doubtful of it.

By the Chairman:

Q. You can get that information and furnish it to the Committee in the form of a statement?—A. I shall be pleased to do that. I will give you the figures I have for what they are worth, but I do not think they should go on record. (Figures read.)

By Mr. Chisholm (Inverness):

Q. Are these by freight or express?—A. They are freight. I have not the express figures from Halifax.

Mr. FOUND: All the business was done by express from Halifax.

By Mr. Sinclair:

Q. Before we leave the freight question, it was stated by some witnesses that the weight of a minimum carload quantity had been advanced?—A. Yes, we changed the minimum weight on a carload shipment of fresh fish from 20,000 to 24,000 pounds on the 1st September last.

Q. And on finnan haddie?—A. Finnan haddie would not go on fresh fish rate, no. They go in on the smoked fish rate which was advanced from 24,000 to 30,000 pounds.

Q. It was 24,000 pounds originally was it?—A. Finnan haddie?

Q. Yes, and you raised that to 30,000 pounds?—A. Yes.

Q. And you raised the fresh fish rate from 20,000 to 24,000 pounds?—A. Yes.

Q. Why was that done?—A. Our experience was that there were very few shipments that did not come up to that minimum of either 24,000 pounds in the case of fresh fish, or 30,000 pounds in the case of smoked. The former minimums were fixed when these rates were fixed years ago. The capacity of refrigerator cars at that time was not as large as it is to-day; the weight of the equipment was not as great

as to-day, and we want to get as much per car earning capacity as we reasonably can without doing an injustice to the shipper.

Q. But you get paid for the quantity in the car?—A. We get paid if it exceeds the minimum. But assuming a party only had a fresh fish shipment of 15,000 pounds we only got paid for 20,000 pounds, and we think it is an incentive for a shipper to make the minimum 24,000 pounds. We were doing it as an incentive to the shipper to get more fish to bring it up to a minimum requirement of 24,000 pounds, thus increasing our guarantee of a minimum per car earning capacity.

Q. It made no difference financially to you whether it was 20,000 or 24,000 pounds?—A. Only when the weight was under 24,000 pounds.

Q. When the weight was under 24,000 pounds you got paid for the weight?—A. But if there is anything under 24,000 pounds we get paid up to 24,000 pounds.

Q. That is a handicap on the dealer?—A. As a practical matter there would be very little handicap. I had no complaint from any of the dealers as to the increase. I was surprised to hear that there had been any.

Q. The dealers that have been examined here have told us that it works out this way: If a shipper has 15,000 pounds and he wants to send it as a carload he has to pay the railway for 24,000 pounds?—A. That is altogether unfair to expect him to do that. But, of course, he has the benefit of the L.C.L. rate if that figure is lower. Take the refrigerator car: the tare weight of the car is at least 50 per cent heavier than that of a box car. We have the weight of the ice, probably averaging three tons to a car. We must have ten or twelve extra tons tare weight to haul with a refrigerator car as compared with an ordinary box car. So long as the carrying capacity is there in the car, should not the dealer be expected to go to a reasonable extent in creating the minimum earning?

Q. But your rate for a refrigerator car is higher than the rate for a box car?—A. But the per car earning is much less, as a matter of fact. Here is a statement of the cars loaded from Mulgrave this last season, 67 cars. The average weight per car is 35,390 pounds, that is, 11,000 pounds above the minimum.

Q. In that case that would not affect the shipper. If it was the other way it would?—A. Yes, but the shipper at the same time is furnished with the incentive to get the required quantity of fish.

Q. But he cannot do it very often?—A. The times he cannot are very few.

Q. Your system shuts out the small shipper?—A. It does not shut him off.

Q. But it makes him pay a much higher rate. Have you a working agreement with the C.P.R. in these matters?—Will you explain how it is that the C.P.R. and the Intercolonial issued that order at the same time?—A. What order?

Q. That order advancing the minimum carload quantity?—A. We usually confer.

Q. We were told by a witness that the orders came from both railways at the same date.—A. The tariff?

Q. Yes. Will you explain how that happened?—A. We usually confer. It is desirable to keep an equality of conditions between shippers in the different localities.

By Mr. Kyte:

Q. Is it not always considered undesirable by railways to have competition?—A. Not at all.

By Mr. Sinclair:

Q. Where did the proposal come from?—A. I could not tell you. As a matter of fact, I had nothing to do with it personally.

Q. Who had?—A. The general freight agent, I think.

Q. Who?—A. Mr. Story.

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Q. Have you any plans to improve the freight shipments on small parcels of fresh fish?—A. We did consider that the arrangement that we made last spring for freight service was going to work out satisfactorily, more satisfactorily than what had been in effect. I know that it has done so until the last two or three months, only I must say that our service by freight has not been all that we would desire—we have had a large volume of traffic moving; we have had pretty severe weather conditions to contend with, and the service for the last two and a half months has been irregular for the fish men.

Q. Would it be too much to ask the Intercolonial to have a refrigerator car on every day of the week to carry parcels of fresh fish in cold storage?—A. To Montreal?

Q. Yes.—A. Just look at the record here since June (indicating statement).

Q. But you understand the fish business is a special business. You say you will carry fish on Thursday, for example. Wednesday is a stormy day, the fishermen do not get out, there is no fish to go on Thursday. On Friday the harbour is filled with fish, and there is no chance of forwarding it. It is a question of business with us. If you do not have the daily facilities the business is so uncertain that it cannot be prosecuted with success. That is what the dealers tell me.—A. The trouble is the fish will not come up on the shore.

Q. Can the Intercolonial meet that situation?—A. I am at a loss to understand why, with the arrangement made last spring, there was not more patronage made of the cars on the three days of the week selected, Saturday, Monday and Thursday. We had shipments from Mulgrave during that period on several days other than Saturday.

Q. You are talking now of less than carload lots?—A. Yes. Here is our schedule (producing document).

Q. Perhaps you had better place it on the record.—A. (Reads.)

CANADIAN GOVERNMENT RAILWAYS.

MONCTON, N.B., June 24, 1915.

SUBSIDIZE FISH SERVICE.

Under an arrangement with the Department of Marine and Fisheries, the following subsidized refrigerator service for L.C.L. shipments of fresh fish will be operated until further advised.

Starting Point	Day	Train	From	To	Due to arrive at Montreal
Mulgrave.....	Monday and Thursday	176 75	Mulgrave..... Truro	Truro Montreal	Thursday ..... 6 A.M. Sunday .. ..6 A.M.
	Each week				
Halifax.....	Monday and Thursday	13 75	Halifax..... Truro	Truro Montreal	Thursday .....6 A.M. Sunday.... ....6 A.M.
	Each week				

Fish shipped from Halifax under this arrangement will be forwarded to Truro in ordinary box cars and will be consolidated at that point with the shipments from Mulgrave.

Fish shipped in these cars will be charged the current tariff rates without additional charge for icing.

MR. C. A. HAYES.

Should at any time one car be insufficient to carry the volume of L.C.L. shipments offering, other cars will be provided.

The agent at Mulgrave will endeavour to ascertain the quantity of fish that will be offering for each day's shipments and will arrange to have the necessary car or cars on hand. (See note.)

Waybills for these cars must bear the notation:

"Subsidized Car."

"To be fully iced at all regular icing stations."

Agents at Halifax and Mulgrave will send PROMPTLY copies of all waybills covering fish shipped under this arrangement to the general freight agent.

NOTE.—This arrangement does not apply on carload lots, that is 20,000 pounds or more in any one shipment, although in such cases or if the shipper is paying the freight on that quantity, if there is sufficient room left the car can be used to carry any L.C.L. shipments that may be offering for movement under this subsidized arrangement.

And then, in addition, there was a Saturday car.

By Mr. Sinclair:

Q. How many hours from Mulgrave to Montreal?—A. About 64 hours from Mulgrave. I may say the Saturday car ran on the same schedule. During that period I am short the records for five shipping days in October—one Saturday, two Mondays, and two Thursdays. From the 1st of June to the 15th of January we handled from Mulgrave 67 carloads, total weight 1,185 tons, average weight per car, about 17½ tons. During that period the Monday and Thursday cars were only availed of by shippers eight times. Now, the service was there, and I am at a loss to understand its not being taken advantage of to a greater extent.

Q. That was up to the 15th of January of this year?—A. Yes. We are giving the same service now, or undertaking to do so.

Q. That does not refer to less than carload lots?—A. The less than carload lots are billed at the carload rate mostly, because if the larger shippers got fish in sufficient quantities, entitling them to the carload rate, the smaller shippers, who ordinarily would not have sufficient freight to entitle them to the less than carload rate were able to put their fish in with the larger shipments and so get the benefit of the lower rate.

Q. On those days?—A. On those days.

Q. Why is it your service has been so demoralized; what is the reason of that?—A. You would not ask me to subscribe to the use of the word "demoralized," would you?

Q. We have been told of carloads of fish on various occasions taking six and seven days to come from Mulgrave to Montreal. Of course, it makes it a very hazardous business to send fish at all, under those circumstances.—A. I think that length of time is exaggerated somewhat, but the service has not been since the middle of December, what we would like to make it.

Q. Do you give fish a preference over other commodities?—A. Yes, as far as we are able to do it.

Q. In that case then the fast freight train must have taken that length of time?—A. The fast freight train has hardly taken that length of time. Sometimes a refrigerator car will get disabled—we have had such things occur—and it may have to be set out of the train for repairs; but we endeavour to pick that car up as promptly as we can after repairs. Barring any occurrences like that, the fish traffic has been given the best treatment we could give it.

Q. Are the conditions better now?—A. I would not like to say they are. They will not likely be very much better for the next three or four weeks.

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Q. What is the reason of that?—A. We are having large amounts of war supplies to handle for the transports at Halifax. We have 22 troop trains to handle this month, we have been having very severe weather conditions to contend with, and I would not want to promise, or make any attempt to promise, the fish men that they would see very much improvement in the service much before the first of April. However, we shall endeavour to do our utmost to effect an early improvement.

Q. Let us come back to the old question as to whether anything can be done, more than is in force at the present time, to improve the shipments of fresh fish on the Intercolonial.—A. Well, as I say, I thought the service we arranged last spring was satisfactory.

Q. That does not touch the local service at all.—A. You mean in the Maritime Provinces?

Q. Anything between Mulgrave and Montreal does not touch the local service.—A. If you will put us in touch with the shippers, or if the shippers will come to us, stating what their plans may be, or what they may require in the way of improved service, we will be very glad to do our utmost to figure it out with them. Presuming, of course, they will have sufficient business to justify the improved service.

By Mr. McKenzie:

Q. Do you know anything about applications having been made in the fall of 1913 to 1915 for cars to carry fish in bulk from North Sydney to Montreal?—A. I do not recall any particular application. We have had applications for cars to haul fish in bulk at various points; I would not want to say that I recall anything particularly in regard to the situation in North Sydney.

Q. Fish merchants have reported to me that they have been refused cars—they could not get them at all—and the reason assigned was that the pickle from the fish rendered the car unsuitable for other work.—A. There was a regulation—

Q. For that reason they could not get any cars at all?—A. The railway has had regulations in effect from time to time that it would prefer not to furnish cars, or refrigerator cars, for fish in bulk, but for the last year or two I think we have been doing so without question.

Q. These would not necessarily be refrigerator cars?—A. Oh, box cars? I don't think we have ever refused any box cars.

Q. Yes. Let me assure you they were refused.—A. Not to my knowledge. We dislike to put refrigerator cars into that service because if you are going to use them again for butter, or cheese, freight of that kind, the odour is objectionable.

Q. This would be at a season of the year when they would not require refrigerator cars, just a clean, proper car for the transportation of fish in bulk.—A. I think there must be some misunderstanding or mistake, because I don't know any case where we have refused to furnish box cars for fish in bulk.

Q. I brought up the matter in the House of Commons last session or the session before, and the answer the minister gave me was that the car was rendered useless for other purposes by reason of the odour and the pickle from the fish.—A. Did your inquiry of him relate to box or refrigerator cars?

Q. I cannot say positively now, but my recollection of it was that it was just "cars" for carrying fish, not necessarily refrigerator cars. I would not be positive as to what I said at the time, but I remember the explanation, and I remember saying to the minister I thought he should have a couple of cars for that purpose even if they were not fit for handling anything else.—A. I do not know of any case where cars were refused for that reason. There may have been some cases that we refused refrigerator cars for that purpose, but we have for the last year or two put fish in refrigerator cars.

By Mr. Kyte:

Q. Do you happen to know what the express rate per hundred pounds from Prince Rupert to Montreal is?—A. I am not familiar with the express rate.

Q. You have no information about that?—A. No.

Q. We had some evidence last week from express men, and the rate was very, very much cheaper for carrying fish by express from Prince Rupert to Montreal than it is for instance from Halifax or Mulgrave to Montreal. I think the express rate from Mulgrave to Montreal is $1.80 per hundred pounds?—A. I think it is.

Mr. KYTE: And from Prince Rupert it is down to about 50 or 60 cents; that is basing it upon the mileage; it is very much cheaper.

By Mr. Chisholm (Inverness):

Q. Have you any working agreement with the branch lines of the Interclonial, say the Halifax and Southwestern, or the Inverness road, in regard to this question we are discussing now, the railway furnishing any facilities? For instance in the section of country served by the Inverness road there is a large number of fishermen all along the coast as far as that road goes. Have you ever furnished any accommodation for these people?—A. We usually have to furnish these branch lines with refrigerator cars. Application is made to us for refrigerator cars and we usually supply them quickly if they are available.

By Mr. Kyte:

Q. You always furnish these cars on application from the management of the branch lines?—A. Oh, yes.

By Mr. Sinclair:

Q. Will you tell us how many refrigerator cars you have now?—A. My recollection is that we have about 180.

Q. For this business?—A. For all purposes.

Q. Do you carry perishable agricultural products in your refrigerator cars?—A. We do some of it, butter, cheese, dressed hogs, etc.

Q. Can you describe your methods of handling agricultural products of a perishable nature on your line—in a general way?—A. The ordinary movement of the trade, the whole movement is in box cars, but take any great movement such as eggs on the Prince Edward Island business we give them a refrigerator car or a heated car. Take dressed hogs, we carry a great many carloads of those in winter.

Q. I was thinking more especially of dairy products.—A. We have not a very large quantity of dairy products that require refrigerator cars. It is usually freight haul movement and the box cars seem to answer all the purposes.

Q. Are there not collecting stations along the Intercolonial railway for dairy products?—A. They are not offering in sufficient quantities. In running into Halifax we have a train there, called No. 13, which comes in every morning with dairy products, milk, etc., for delivery to the Halifax market, but that is all done within a run of 50 or 60 miles of Halifax.

Q. And that business is done in the ordinary car?—A. Yes. In the summertime they have a refrigerator car.

Q. Some dealers have given evidence that the express service was very unsatisfactory by reason of the cars being heated in order to accommodate the man in charge, and the result was that the ice in the fish boxes all melted, and the fish arrived in Montreal in a damaged condition, or in a very unsatisfactory condition. Have you considered that question? That, of course, is an express question, but we are told that your railway makes large profits in its express business and we expect you to take some interest in it.—A. We have not been particularly favourable to the running of a large quantity of fish by express. It is essential that we make the service on the fast trains to accommodate the travelling public, and if we put extra cars on those trains we lessen the opportunity of delivering those fast passenger trains at the different points on schedule time, because of the hazard that comes from an extra car being attached to the train.

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Q. Are your cars so built and equipped as to make it safe to put them on express trains?—A. I think they have been adjusted for that.

Q. I have been told that a special wheel is necessary to adapt them to that service?—A. A special truck.

Q. Can you tell us how many cars of that class you have?—A. I think there are somewhere between 20 and 25, according to my recollection.

Q. Are they new cars?—A. Comparatively new; I would not want to say what year they were obtained.

Q. Would you approve of changing the construction of these express cars so as to provide a cold chamber for perishable goods like fish?—A. I am not enough of a practical man along the line of car construction to say whether that is a practicable suggestion or not. I understand it has been referred to as a possibility, but I believe on that point, it would be better to have the advice of some practical car man.

Q. Would it not be a good thing to have a separate compartment for fish only, instead of having that class of goods mixed up with ladies' hats and other articles?—A. The traffic conditions vary so in the express business: one day you are running a car full to the roof with ordinary merchandise—I do not know about that; we would have to consider that proposition from two standpoints, one whether it was a practicable proposition, as far as car construction is concerned, and the other whether we could do that without being compelled to carry another car on the train.

Q. Did that proposition originate with this Committee or did you ever hear of it before?—A. I only heard of it within the last few days.

Q. That is the first you have ever heard of it?—A. Yes, the first I ever heard of it.

By Mr. Chisholm (Inverness):

Q. In extending these privileges to shippers over your line does it apply to shipments to the American markets? If there is a carload of fish sent to the American market over your line do you give that shipper the same facilities as if he were shipping to Montreal?—A. They have had some facilities.

Q. I think you said a few minutes ago that you never had any protests against increasing the minimum from 20,000 to 24,000 pounds?—A. No, I have not.

Q. We have shippers of salmon who keep their salmon in cold storage in order to get them to the Boston market for the 4th of July. There are several of those shippers in my constituency who gather the fish in order to take advantage of the minimum carload. Their great difficulty is to get just sufficient to take advantage of this car. I am surprised that there was no protest when the case was made more difficult to them by increasing their minimum quantity?—A. What was their minimum before? There may not have been any increase in their minimum.

Q. I understood you increased for all fresh fish?—A. No, that is in the Montreal tariff only, and to Ontario. I do not know whether there has been any increase or not on that traffic.

Q. They had great difficulty in getting a sufficient quantity of salmon to take advantage of the minimum car.—A. That is for Boston?

Mr. CHISOHLM (Inverness): For the Boston market.

By Mr. McKenzie:

Q. I do not know that I understand this minimum scale, where the Government comes in and pays part of the freight. Will you make it a little plain to me; on what conditions does the Government or Fisheries Department come in and pay part of the freight?—A. In connection with the arrangement made for the freight service last spring, the railway obtains nothing from the Department for the cars that are run on Saturday. On the cars that we would undertake to run on each Monday and Thursday from Mulgrave and Halifax the Department agreed to guarantee us a minimum earning of $35 for each car from Mulgrave to Montreal, and also agreed to reimburse us for the cost of the ice supplied.

MR. C. A. HAYES.

Q. That is what I want to have explained. What quantity of fish must be on a car before the Department will supplement your earnings?

Mr. FOUND: 14,000 pounds.

The WITNESS: It would be less than 10,000 pounds—between 9,000 and 10,000 pounds. That is, after, say, 10,000 pounds have been loaded, the Department stops reimbursing us, or if there was not 10,000 pounds the Department would see that our earnings were made good to the extent of $35 for each car.

Q. What do I understand you to mean by the minimum now being 24,000 pounds? —A. That is to the carload shipper, who ships a quantity sufficient to make a full carload.

Q. He must have 24,000 pounds before he gets a car at all?—A. No, he must pay for 24,000 pounds.

Mr. KYTE: Whether he has the fish or not.

By Mr. McKenzie:

Q. I see. If a man has 24,000 pounds of fish in a car, does the shipper get any assistance from the Government on the freight?—A. No, he does not, as I understand.

Q. It is only on the small lots?—A. That the Government steps in and assists.

Mr. FOUND: We assure a service to the shipper.

By Mr. Sinclair:

Q. What other goods does that increase apply to besides fish?—A. What increase?

Q. That 24,000-pound minimum?—A. That is the ordinary minimum for goods of that class, 24,000 pounds. Fish were below the minimum.

Q. What other goods are in that class?—A. All food products, groceries, and everything of that kind.

Q. Then fish is in the same class as groceries and food products like meat?—A. Yes, our commodity rate is the same as for groceries and goods of that character.

By Mr. Kyte:

Q. So at the present time fish has no preference with regard to the minimum weight?—A. Fish has no preference now as regards the minimum weight. It has a preference as regards the minimum rate. This preference is 25 per cent below the normal rate.

By Mr. Sinclair:

Q. Keeping in mind the fact that the perishable nature of fish involves ice and boxes, which adds 40 per cent sometimes to the weight of the fish, do you not think this commodity should have some different rate from beef and articles that do not require so much expenditure in ice and boxes?—A. If you take our rates on the Intercolonial and compare them with the rates on any other railroad for similar service, I think you will find, Mr. Sinclair, that the railway has taken all these features into consideration already.

Q. I was not referring to your rate so much as to fish being in a special class.—A. It is a hazardous property to transport. You are liable to claims for damages or loss, and you are hauling a refrigerator car on which I have told you the tare is 50 per cent greater than on ordinary equipment.

Q. You forget it is getting lighter all the time?—A. The tare of the car itself does not. Of course, I am speaking of the refrigerator car itself, and the cost of that equipment is pretty nearly double that of the ordinary box car. The refrigerator cars we were figuring on last year would cost from $2,100 to $2,200 each, whereas our box cars will only cost about $1,100. The Lord only knows what they are going to cost with steel going up the way it is.

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By Mr. Chisholm (Inverness):

Q. You have been talking of the minimum capacity of a car; what is its maximum capacity?—A. If you could get 60,000 pounds into these refrigerator cars, that is their carrying capacity. In regard to these 67 cars we had from Mulgrave there was an average of 35,000 pounds, with 11,000 pounds for the minimum.

By the Chairman:

Q. Fish freight is not delivered by the railways in Montreal, is it?—A. Not at the expense of the railways, no.

Q. Have they any equipment for delivering it to the consignee—A. Well, the consignee can use either the agent that the railway has at his station to make deliveries, or he can employ his own agents. It makes no difference to the railway.

Q. What is the cartage rate in Montreal?—A. Four cents a pound or 80 cents a ton.

Q. Does that rate prevail at most points?—A. I do not know whether it is 80 cents in Toronto or not. Hamilton, I think, has a little less cartage rate than Montreal.

Q. Can you tell what the time between Halifax and Montreal should be normally? —A. About 58 hours.

Q. Do you think that when the present congestion of traffic is over you will be able to put that fast freight on its own schedule?—A. Yes.

Q. And generally sustain it?—A. Yes.

Q. Are fast freights now reliable as to making their schedule time?—A. I fear they are not.

Q. Since when have they not been reliable?—A. Since about the 1st of December.

Q. And you say that by the 1st of April they will be back to normal conditions? —A. By the 1st of April, or soon after that date, we should be able to get back to normal conditions.

Q. When shipments of fish are made by refrigerator car is the ice in the car paid for by the railway, or is it charged to the shipper?—A. It is charged to the shipper.

Q. Do you know what is the average cost per car?—A. Take a full carload of fish carried from Mulgrave to Montreal packed in ice, and the icing in transit I judge would run from about $12.50 to $15 per car.

Q. If the car is only half full, the same amount of icing has to be arranged for? —A. Yes. A less than carload lot would be charged 10 per cent of the freight rate.

Q. For icing?—A. For icing.

Q. Who is the loser in that case, as compared with carload shipments, the railway company or the shipper?—A. Well, it is about an even break, I should say.

Q. As a matter of fact it requires as much ice to chill a refrigerator car that is only half filled with fish as if the car was full?—A. Yes, substantially so, we have got to keep the temperature down.

Q. So that in order to get cheap transportation, the larger the quantity of fish shipped in a refrigerator car the less the pro rata cost per 100 pounds is in freight and refrigeration?—A. Yes, it would figure that way.

Q. Was it not, previous to last year, customary to have this icing done at the expense of the railway company?—A. From Mulgrave only. There was that Saturday car.

Q. How far would that icing carry?—A. Well, it would probably be re-iced again at Truro. We have to keep these cars pretty well iced. They have to be examined, and if necessary, re-iced. They have to be re-iced at Truro, Moncton, Campbellton, Mont Joly, and Chaudiere Junction.

Q. When the cars originated at Mulgrave you did the icing prior to last year?— A. We did ice the car there, yes.

Q. You re-ice at your own expense at Truro and other points?—A. Now we do. We charge 10 per cent now, taking a less than carload lot, for the icing at Mulgrave, but we make no further charge for the icing that is done at Truro, Moncton, Campbellton, Mont Joly or Chaudiere Junction, where these cars and their bunkers all have to be examined to see if there is a sufficient quantity of ice to carry them to their destination.

Q. The only charge now made, which was not made a year ago, is the 10 per cent at the point of origin?—A. On the less than carload shipments, yes.

Q. Does not the same apply to full carloads?—A. We were charging for ice before on those.

Q. On full carloads?—A. Yes, full carloads.

Q. 10 per cent on a less than carload where the minimum is 10,000 pounds, will be what?—A. That will be $3.80.

Q. That $3.80 is now being charged in excess of what was being charged previous to last year?—A. Yes.

Q. Other than that there is no additional charge for ice?—A. No.

Q. Either on carload lots or on less than carload lots?—A. No.

Q. What is the minimum carload quantity for fresh fish?—A. It is 24,000 pounds now.

Q. It was formerly 20,000?—A. It was 20,000.

Q. What is it for smoked fish?—A. It is 30,000 as compared with 24,000.

Q. Was the minimum raised recently, or when?—A. The change in the case of shipments to Montreal took place the 1st of September, 1915.

Q. I suppose you had to pass on that change before it went into effect?—A. I think as a matter of fact it was done without my passing on it. I might have made the suggestion at some time that it would be desirable, having regard to the fact that our cars were capable of carrying that quantity of fish without difficulty.

Q. Will you now state to the Committee why it was desirable to increase the minimum carload lot weight?—A. As I have said before, it does not seem unreasonable to expect a shipper who expects to obtain the benefit of the lower carload lot rate, to secure at least 12 tons of fish to insure the railway getting a fair minimum per car earning for the hauling of that refrigerator car from Mulgrave to Montreal, a distance of 884 miles. Now $67.20 is a minimum earning. It does not seem unreasonable, having in mind also that we must return that car empty nine times out of ten, the entire distance from Montreal to Mulgrave. The arrangement was put into effect, and personally I have had no complaint made regarding the increase, and I think if it had been regarded as very serious some of the shippers would have registered their protest before now.

Q. What is the exact return on a 24,000-pound shipment from Mulgrave to Montreal?—A. That is the freight charges? $67.20. On the 20,000 pound minimum it would be $56.

Q. Have you ever determined what the earnings of a car should be between those points?—A. No, I have not. You base your judgment on comparisons as to what other traffic may pay.

Q. You do not know then what it actually costs the road to take that car up to Montreal loaded and bring it back empty?—A. No.

Q. Is there any means of ascertaining that?—A. It would be only a very rough estimate.

Q. How do you know then that these rates are high enough, or whether any rate is a proper one?—A. That is the problem of the traffic man.

Q. You are a traffic man, are you not?—A. It is a very difficult thing for the traffic man to determine.

Q. You are a traffic man?—A. I say that it is a problem that the traffic men would like to solve if they knew the cost of production.

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Q. Do you mean to say that you are actually going it blind in the matter of all your rates?—A. No.

Q. Is this rate an exception?—A. This rate is exceptionally low.

Q. I did not mean that. I mean to say if the whole question as to whether or not this is a paying business is not determined in your mind, is it in this case an exception?—A. No.

Q. I do not want a wrong impression to be conveyed by my question and your answer. By that I mean, you come here as a traffic expert. I ask you whether the return you get on a car with a minimum of 24,000 pounds hauled from Mulgrave to Montreal is a paying business, and your answer is what?—A. A railway has certain gross results which it accomplishes each year. The net results are there also. I do not think that any traffic man or any operating man, has ever figured out yet to a nicety what it actually cost to produce any particular volume of business or any particular line of traffic before. We see general results at the end of the year. Then you have your standards of comparison as to what the rates are between different sections from this point to that market or from some other point to the same market. You have to be guided largely by the general results you get at the end of each year.

Q. You are not in a position to tell the Committee that when you increased your minimum carload quantity you were justified by the failure to earn a sufficient amount to cover the cost of operations?—A. Well, I know as far as that particular movement is concerned, measured by any standard of comparison we have had, the actual results from the movement of that fish is very much below any basis that we have that we can measure by. You take the tare of the car at 24,000 pounds for a refrigerator car, 6,000 pounds, at least, for ice, and say you have 24,000 pounds of fish upon which you charge your freight. That is 54,000 pounds in weight which you have to carry and you are getting freight at 28 cents per hundred pounds, on 24,000 pounds; that is $67.20. Now you have 27 tons of tare and fish on which you get $2.50 a ton for transporting the tare of that car, the ice and the fish, a distance of 884 miles from Mulgrave to Montreal and, as I say, ordinarily the refrigerator cars have to be returned empty for practically the entire distance.

Q. In what percentage of cases do the refrigerator cars return empty?—A. I would not undertake to say.

Q. Have you any returns in your office from which you can give us that information?—A. They can be picked out.

Q. But you have made the statement that they are returned empty?—A. I would not say in what number of cases the refrigerator cars are returned empty, but we have very little eastbound freight requiring refrigerator cars.

Q. You are not in a position to say what the reason was—whether it was the question of the earnings being too low, which necessitated the raising of the carload minimum or whether you merely did it to get the fish business more in line with the regular business which your road was then carrying on?—A. That was the purpose for which it was done.

Q. Before you made that change did you take the matter up with the Marine and Fisheries Department with whom you had arrangements for the transportation of fish?—A. I do not think it was done, but they had no arrangement covering this carload business with us or with the shippers.

Q. Did the C.P.R. at that time also make a similar change in its minimum carload?—A. I think the C.P.R. did.

Q. Was this done as a result of a conference or an understanding between you?—A. As I say, I had nothing to do with the arrangement that was made.

Q. But it was made during the time you were in charge of that branch?—A. It was, I did not make the arrangement but I assumed the responsibility for it.

Q. But you cannot say whether it was made as a result of a conference between the management of the Intercolonial and the C.P.R.?—A. No, I would not say that.

Q. Could you say that it was not the case?—A. No, but I presume that it was agreed to and that the tariff department of our railway arranged with the tariff department of the C. P. R. when the change should go into effect.

Q. That is the usual procedure between railways?—A. Yes.

Q. Where is the competition, if they are unifying their tariffs?—A. The railways have their rates fixed for that by the Railway Board which necessitates a unification of tariffs.

Q. Would it be within the province of the Railway Board to regulate such a thing as a minimum carload?—A. Yes.

Q. Do the railways make arrangements for the most convenient and expeditious delivery of freight on its arrival?—A. Yes, the railway is sure to do its best to deliver the goods as fast as it can.

Q. Supposing fish is shipped by fast freight to Montreal, at what point can the consignee be sure of getting it say within two or three hours of its arrival?—A. I think that the fish is now being delivered at Bonaventure terminal, but it may possibly be delivered at Point St. Charles. I think an arrangement was made within the last few years to have it delivered at Bonaventure.

Mr. FOUND: It is delivered at some road there, I do not remember the name, but it is some road where the fish dealers can go and get the fish.

By the Chairman:

Q. How long after the arrival of the train at Montreal is it possible that delivery can be made at this point you speak of?—A. I am not exactly familiar with the details, but it ought to be within three or four hours, if not less than that. We had an arrangement whereby the car instead of being taken out to the usual terminal at Turcotte was cut off at Point St. Charles so that switchmen could place it promptly on arrival; that would enable them to place the car within two hours after the train arrives at Montreal.

Q. If these arrangements have not been satisfactory to the dealers in Montreal, can your branch see that proper arrangements are made in that respect?—A. Yes, that is we would undertake to do so. Of course our terminal in Montreal is used jointly with the Grand Trunk and you will appreciate that they have business to handle for themselves as well as the business of the Intercolonial.

Q. But they do not have any fish from the east, do they?—A. No.

Q. And therefore if this particular place were laid out, or set aside, for setting down of fish freights, their own business would not conflict with the business of the Intercolonial Railway at that point?—A. Perhaps not, but it is hardly possible that fish is the only business that is to be delivered at that place.

Q. What we want to do, if we can, is to so arrange a method of transportation of fresh and mildly cured fish that it can reach the consumer with as little loss of time as possible, and, in order to do that, we must save the delays which now take place in delivery at such points as Montreal. The loss of three or four hours in the delivery of the fish means considerable, because it deteriorates very fast unless it is kept chilled. To enable dealers at points on the Straits of Northumberland and the northern coast of New Brunswick to take advantage of such fast service could it be arranged for shippers at those points to have their shipments forwarded to Moncton, Newcastle, Campbellton and other points and there be consolidated into these refrigerator cars and get the through rate to the points of destination?—A. What points have you in mind on the Straits of Northumberland?

Mr. FOUND: Pictou, Shediac, Richibucto, Newcastle, Chatham. As I understand it, what the chairman has in mind is the possibility of making the freight service available to a greater number of points than it is now.

WITNESS: If there is the volume of business there or at any other point, that is perfectly feasible.

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By the Chairman:

Q. What I mean is, supposing this refrigerator car leaves Mulgrave, and it is not filled up when it reaches Truro, certain shipments are consolidated there, and then at another point, say Moncton, or Newcastle, or Campbellton, shipments can be put in that car?—A. No, it would not be possible to do it and make the time that you want in getting it to Montreal. It is hard enough with the service you have now to get these cars there on time. You have to get these cars at your icing stations, and your icehouses are not where you can get at your cars either to put fish in or to take fish out, because they are not usually in accessible places. To do as you suggest would simply tend to spoil the service you now have from Mulgrave to Montreal.

By Mr. Sinclair:

Q. That objection does not apply to Campbellton, because you have to change engines there?—A. Yes, it does. There is no roadway up to the point where your car is standing in the train.

Q. Could not the shipment be placed in the car while changing engines?—A. When you arrive at Campbellton you have to take that car to the icehouse to have its bunkers examined and ice put in them. Where the icehouse is it would not be possible to get at it with a wagon to put your fish in the car; it would need several shuntings before you could get that fish put in the car.

Q. Could you not have your fish ready at the icehouse and have it put in the car while the ice is being put in the bunkers; is not that possible?—A. Then you have to figure on the probability that your car from Mulgrave may be full, and there is a man going to be disappointed.

Q. The Chairman has asked what can be done where it is possible?—A. The only way we can develop a business on the north shore would be to develop a freight service entirely independent from the Mulgrave or Halifax service.

Q. You have not made any effort to develop it?—A. No one has come along to say they had any business. We would be only too glad.

Q. We are very much struck here with the failure of the Intercolonial people to show a progressive spirit. The change in the tariff on fish was made at the instance of the Committee here some years ago, where an agitation arose, and the freight was lowered. Then the Marine and Fisheries Department designed the idea, or put forward the idea, of paying a part of the express rates, which has worked out very well and has been a great advantage. Now this Committee is trying to find out something else that would improve the transportation, and we are not able to find that the Intercolonial itself—that the men paid for doing these things—is designing anything in the way of improving the transportation of fish. I would like to have your views?—A. Here is an article from "The Canadian Fisherman" last year, which seems to show that our efforts are being appreciated. (Article handed to Mr. Sinclair.)

By the Chairman:

Q. You think it would not be feasible to consolidate shipments at such a point as Campbellton on the refrigerator car from Mulgrave to Montreal?—A. I would not advise attempting to do it.

Q. If it were telegraphed ahead stating that there was space in the car, would it not be possible?—A. Where is the shipper going to get his fish from? What time has he to get his fish?

Q. What is the time between Truro and Campbellton by fast freight?—A. Say twenty hours.

Q. That would afford a man ample time to ship from places on the gulf shore?—A. You take the Mulgrave cars; from the figures I have here the average weight on 67 cars that we handled last season was 35,390 pounds. Now, these cars are carrying on an average pretty nearly all it is advisable to undertake, and it is doubtful—I do not

want to suggest anything impracticable and I do believe it would be an impracticable thing to attempt to handle any gulf shore business on the Mulgrave car.

Q. What is the capacity of that car?—A. It will carry a tonnage of 60,000 pounds, but not of fish.

Q. You say that the refrigerator car from Mulgrave to Montreal is carrying now, ordinarily, about all it is safe to carry in it?—A. I would judge so, yes.

Q. And that for that reason, if for no other, it would not be practicable to consolidate shipments at a place like Campbellton?—A. Yes, and furthermore there is a loss of time. It would not be practicable.

Q. That is, from the standpoint, first, of the car, as it would be filled up; and, secondly, from the loss of time necessarily involved; and also that there are no facilities at the re-icing station where fish could be placed, and put on board?—A. Yes.

Q. What suggestion have you to meet the business of the people along the north shore, towards getting their fish into Montreal?—A. If the fishermen, either direct, or through Mr. Found, or through their association, care to go into the matter with us, we will be very glad to see what kind of a plan can be figured out to provide a service there that will give refrigerator protection to that north shore fish. Possibly certain points would have to be selected as concentrating points to be served by local freight or otherwise; and then there could be a car starting from a point sufficiently far down the line to take in these concentrating points on a schedule that would fairly well answer the requirements. It is a matter of detail that would have to be carefully gone into.

Q. Can you say now what the freight rate would be, whether you could give them a through freight rate by consolidating at Campbellton?—A. From points on the Intercolonial?

Q. And branch lines connecting with it.—A. The through rates we have now in effect.

Mr. FOUND: There would be no extra charge for the consolidation?

The WITNESS: Yes.

By Mr. McCurdy:

Q. That would be a matter entirely in your own hands?—A. Yes.

By the Chairman:

Q. What are the conditions under which express business is hauled by your railway, in point of division of receipts?—A. On the ordinary traffic the receipts are divided fifty fifty.

Q. That is the gross receipts?—A. Yes.

Q. Has the express company made any demands upon your railway, so far as you know, for improvements in express cars to meet the fish traffic?—A. No, I do not know of any such demand having been made, not recently.

Q. Have you read the evidence that has been given by previous witnesses in this inquiry?—A. Not altogether, no.

Q. It was suggested that there should be a division or a partition, setting off a part of an ordinary express car which could be chilled, so that fish could be transported by express in the chilled compartment. The express people replied that they did not furnish the cars, that these were furnished by the railway.—A. The railway furnishes the express cars.

Q. Would you be in a position to say whether such a proposal would be met favourably by your railway?—A. That is a matter I think it would be better to have the advice of some practical car-builder on, some expert in that line.

Q. Under whose branch does it come?—A. It comes under the car department.

Q. Does the railway object to hauling a refrigerator express car for the transportation of fish, in addition to the ordinary express car, between the Atlantic coast and interior points?—A. We prefer not to.

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Q. Is there any danger in hauling them?—A. There is of course the hazard that comes with the attachment of an extra car to the train.

Q. Would it make any more difference than if it were an extra baggage car?—A. No, I don't know that it would.

Q. For every set of trucks you have on a train you have of course that much higher percentage of risk?—A. Yes.

Q. There would be no more risk in hauling an ordinary refrigerator car than in hauling any other car, would there?—A. No, I cannot see that there would be.

Q. They are strongly made?—A. They are strongly made.

Q. And are fairly good rolling stock?—A. Yes.

Q. Then the railway would not object to that car as a refrigerator car?—A. Not as a refrigerator, properly designed with proper trucks. We do object, though, to adding to the number of cars on through trains which are already heavy.

Q. If the express companies would agree to a minimum carload of 10,000 pounds for a refrigerator express car, would the railway undertake to haul the car on each occasion that that quantity would offer?—A. From Mulgrave we had that arrangement of a 10,000 pound minimum two years ago, did we not, Mr. Found?

Mr. FOUND: It was discontinued. A condition of the putting on of this freight service was the discontinuing of the other car; the railways did not want it.

The WITNESS: As I say, we prefer not to handle the additional car on the express train.

By the Chairman:

Q. If we could get the express companies to make an express car of a minimum of 10,000 pounds, would the railway haul it or would they object to haul it?—A. We would haul it.

Q. Even keeping in view the earnings?—A. Keeping in view the earnings. We made an arrangement with the express companies on the 10,000 pounds basis. It was in effect in 1913 and 1914. They gave us a minimum of $90 per car, or practically 60 per cent of the earnings on the fish instead of 50, as on the ordinary traffic.

Q. There would be no opposition from the railway to that policy?—A. Not from a revenue standpoint.

Q. As a matter of fact you do not have trains so heavy that you cannot haul them; I mean express trains?—A. You take the ordinary equipment of the Ocean and the Maritime, there are eight cars in the ordinary train. You start with eight cars and you are likely to get extra cars either at the head end, as we call it, baggage or postal, or you are likely to get extra sleepers, and we do not care to haul over ten cars on any of these trains. We cannot very well make the time if we get above ten cars, and you are likely to get ten cars on your ordinary equipment.

Q. You cannot tell in advance, I suppose, what number of cars you will be required to haul?—A. No.

Q. The business originates as the train is going through?—A. Yes.

Q. Does the railway have to be consulted as to the rates charged by express companies?—A. No; the express companies make their own rates.

Q. Would it simplify the handling of fresh fish if express goods, mails and baggage could be forwarded by separate trains?—A. It would be a very nice thing if it could be done, if there was enough revenue to justify it.

Q. Then it is a question of the volume of business?—A. It is a question of the volume of business. In your question you spoke about express companies making their own rates. Now, the express companies are controlled by the Railway Commission.

Q. Has it ever been suggested that it might be wise for the Intercolonial Railway to do its own express business over its own lines?—A. I could not say that the suggestion has ever been made in any official manner. It may have been discussed casually.

Q. You have never given it any consideration?—A. No.

Q. It has not formed the subject of a report?—A. No.

Q. Generally speaking, what would you say would best promote the object which we have in view of lessening the spread in the prices of fish between the point of production and the market, and also of getting fish on the table of the consumer in prime condition?—A. When it comes to the spread in price, here are figures (indicating statement) as to freight rates, Mulgrave to Montreal, on the less than carload lot rate, of 38 cents per 100 pounds, plus 10 per cent charged for icing. The freight charge on the actual net weight of fish transported (estimating the tare weight of package and ice in the package as equivalent to from 25 to 40 per cent of the gross weight) will run from approximately ½ cent to seven-tenths of a cent per pound of fish, the range in charge being accounted for largely by the varying quantity of ice that may be placed in the package with the fish.

On the carload rate, 28 cents per 100 pounds, and carload minimum of 24,000 pounds, plus the cost of 5 tons of ice, the freight charge on the net weight of the fish would run from 44/100 to 45/100 of a cent per pound of fish.

By Mr. Sinclair:

Q. I do not think anybody is complaining about the charge.—A. That is a very small margin.

Q. It is the facilities they are complaining about.—A. I believe, Mr. Sinclair, that the facilities by freight were fairly satisfactory until about the 1st of December.

Q. Well, they are not satisfactory for shipments between local points, and never have been, so far as I know.—Well, we would be very glad to have an opportunity of looking into that feature.

Q. I hope you will be able to do so. There is another question I would like to ask you.—A. What I have already said answers one phase of the Chairman's question. Now, as to the difference in the price of fish between the amount paid to the producer and that paid by the consumer. A very small percentage of that difference is taken up in freight charges you see. As to facilities, I believe the freight service, if there is a volume of business to justify the loading of full carloads of refrigerator car freight —the freight business is in the long run more satisfactory to the shipper and better than the express. The point is to maintain that fast freight service—that is my judgment—with sufficient quantity of fish back of it to give a reasonable load.

By the Chairman:

Q. Have you any suggestions for improving the facilities for handling fish at different points?—A. Which, shipping points?

Q. At points of shipment and points where fish is set down.—A. At Mulgrave it is fairly satisfactory.

Mr. FOUND: In connection with that refrigerator express car service as I understand the Chairman, and as I understand the answer of the witness, there is a question whether the railroad would not object to hauling a 10,000-pound refrigerator express car?

WITNESS: If the express companies were agreeable there would be no objection from a revenue standpoint.

Mr. FOUND: I have in mind the extension of that service to Toronto and points west. The service was satisfactory as far as Montreal, but as I understand you the difficulty arose when it started to go beyond Montreal. You say it is not feasible to carry it beyond Montreal?

WITNESS: No.

Q. It was proposed some time ago that fish might be shipped from Mulgrave to Boston by way of Yarmouth and that a favourable rate would be made for express and freight shipments over that route so that the eastern fish dealers could reach the Boston market which, as you know, is one of the great fish markets. That would

involve the Intercolonial railroad being used between Mulgrave and Truro. Would your road favourably consider a proposal of that kind if it could be worked out?—A. By express?

Q. Yes?—A. We have a regular arrangement, I know from my own knowledge that we have some going both by express and freight by way of Truro and Yarmouth.

Q. The agent of the steamship line from Yarmouth to Boston visited Ottawa a couple of years ago and talked of a dollar and a quarter, I think it was, rate to Boston. A. I think we have handled the business from Mulgrave to Truro by freight and the Dominion Atlantic Railway Company has handled the business by express from there to Yarmouth. This business came over on the same fast freight that brings the Montreal fish, arriving at Truro about 2.50 in the morning in time to connect with the Dominion Atlantic train.

Q. Can you tell us what the rates are?—A. I could not—you mean by express?

Q. Yes?—A. No, I could not; it has gone out of my mind. There is a freight rate to Yarmouth, but I have forgotten what it is, the express rates I would not know.

Q. But the Intercolonial Railway authorities would be willing to facilitate an arrangement of that kind, would they not?—A. Yes, I think if we could get the business we would prefer to take it to St. John in order to get the long haul, but if it would better matters any we could take them down to Truro.

Q. Is the service between Yarmouth and Boston better than that between St. John and Boston?—A. It is a daily service between Yarmouth and Boston in the summer-time, and it is a daily service between St. John and Boston in the summer-time. I know that we have handled the business both ways; and we have set the cars down in St. John right at Macleod's wharf.

Q. I would like to have the present rates on that service?—A. I will be very glad to get them and let you have them. You will get the express rate from the express people, I assume or do you wish me to get them from the express people for you?

Q. I wish you would?—A. That is on fresh fish?

Q. Yes, from Mulgrave to Boston by way of Yarmouth and by way of St. John?—A. Both express and freight too. To whom shall I address it?

The CHAIRMAN: To Mr. Howe, Clerk of the Committee.

By the Chairman:

Q. Are you in a position now to tell us the number of refrigerator cars that you had two years ago on the Intercolonial?—A. I could not. We have about 180 now, and I do not think there has been any addition to the equipment within the last two years. We have been contemplating ordering more of those cars.

Q. I want to know the number you had two years ago and the number you have now with proper trucks for the express train service?—A. You mean refrigerator cars such as are running on passenger train service? I thought you were referring to those on both passenger and freight. I will have to get the number of those equipped for passenger trains. I gave you the number of the freight.

Q. I know there was some objection to hauling cars of that character on the passenger trains because the trucks were not suited for that traffic. I want to know what has been done to overcome that?—A. You want to know the number of refrigerator cars suitable for running on the passenger trains.

Q. And also for running on the general service?—A. Very well, I will get that information and forward it.

Witness discharged.

Committee adjourned.

HOUSE OF COMMONS,
ROOM No. 301,
THURSDAY, March 16, 1916.

The Committee met at 3 o'clock, p.m., the Chairman, Mr. Jameson, presiding.

The CHAIRMAN: On the 3rd of March we took the evidence of Mr. W. S. Stout, President of the Dominion Express Company, Montreal. He subsequently forwarded to the Secretary a copy of his evidence, with one or two slight verbal changes which he desired to have noted. I presume it will be in keeping with the views of the Committee that this privilege should be afforded to any witness whose evidence has not been quite accurately reported, in his judgment, or who wishes to modify what he has said. I will ask the Secretary to hand Mr. Stout's letter to the reporter so that these slight changes and corrections in his evidence may be made.

Mr. H. E. MACDONELL, called, sworn and examined.

By the Chairman:

Q. What is your official connection with the Canadian Pacific Railway?—A. Assistant Freight Traffic Manager.

Q. How long have you been acting in that capacity?—A. For six months or so.

Q. Before that, were you connected with that or any other transportation line?—A. With the Canadian Pacific Railway Company.

Q. For how long?—A. Twenty-five or twenty-six years.

Q. You have a knowledge, I suppose, of the matters relating to the transportation of fish from both the Eastern and Western sea-boards, by your Company?—A. Yes, sir.

Q. Can you state to the Committee what the carload and less than carload freight rates are, by refrigerator car, on shipments of fresh fish from Mulgrave to the following points:—Quebec, Montreal, Toronto, Hamilton, London, Windsor, Winnipeg, Calgary and Vancouver? First will you give the carload lot rates?—A. Mr. Chairman, I have the rates here from St. John, St. Stephens and St. Andrew's to all these points, if that will be acceptable. Of course, we simply act in connection with the Intercolonial Railway where the shipments come from Mulgrave. Then we have, of course, arrangements with the Intercolonial Railway and receive freight from them at Ste. Rosalie Junction and also at St. John.

Q. You do not originate freight in the Province of Nova Scotia?—A. Not in Nova Scotia except on the Dominion Atlantic Railway.

Q. Then would you state please what the rates are to these different points?—A. From St. John, and is it on fresh and frozen fish you require the information?

Q. We want the refrigerator car rates?—A. I have a tariff here which covers fresh and frozen fish which is handled in refrigerator cars in carloads.

Q. Give first the carload rates.—A. To Quebec, 22 cents per 100 pounds in carloads—a minimum of 20,000—and 31 cents per 100 pounds in less than carload lots.

Q. That is from what point?—A. That is from St. John, for Quebec, Montreal, and Lévis.

Q. Now give the rate to Toronto?—A. Thirty-two cents per 100 pounds in carloads, minimum 20,000 pounds.

Q. Is there a less than carload lot rate to Toronto?—A. No, sir.

Q. Now, the carload rate to Hamilton?—A. 33 cents per 100 pounds, with the same minimum but no less than carload lot rating.

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Q. Now, London, Ontario?—A. 37 cents per 100 pounds, same minimum.

Q. That is the rate for carloads?—A. Carload lots only.

Q. Now the Windsor rate?—A. 39 cents per 100 pounds, same minimum.

Q. No less than carload lot rates?—A. No, sir.

Q. Now, the carload rate to Winnipeg?—A. I do not happen to have the rates to Winnipeg here with me.

Q. Have you the rates to Calgary and Vancouver?—A. The rate to Vancouver, I think, would be $1.55 per 100 pounds, minimum 24,000 pounds. From Mulgrave it would be $1.58 per 100 pounds, the same minimum.

Q. That is for fresh and frozen fish?—A. For fresh and frozen fish.

Q. Carried in refrigerator cars?—A. Yes

By Mr. Kyte:

Q. While on that point, have you the rate from Vancouver, or have you any rate for carrying fish from that city east?—A. Yes, sir, it is about the same.

Q. From Vancouver to Montreal?—A. Yes, sir, it would be $1.50 from Vancouver to Montreal.

Q. What is the rate from St. John to Montreal?—A. 22 cents and 34 cents, respectively.

Q. The rate you quote from Vancouver to Montreal is cheaper, very much cheaper, taking into account the mileage, than the rate from St. John to Montreal.—A. Well, of course, one is a short haul and the other is a very long haul.

Q. We had some evidence given here some time ago in which it was stated that the low rate on a carload of fish from the Pacific coast to Montreal was due to certain competition which existed betwen transcontinental lines. Do you know anything about that?—A. I could not tell you exactly when that rate was made, but I could look it up for you. If you mean the Great Northern and Northern Pacific Railways, I do not know how far back they made the rate.

Q. But speaking of your own road, you cannot say from memory when that rate was fixed?—A. No, sir, I could not tell you that but it was quite a considerable time ago.

Q. Have all the Transcontinental Railway Companies a uniform rate for carrying fish from the Pacific coast to Montreal?—A. Yes, sir.

Q. So the rates you quoted are the rates of the Canadian Northern and the Grand Trunk Pacific?—A. Yes, sir. We make rates, all the lines. I mean to say, if the Canadian Pacific Railway, for instance, made a rate from the coast to Montreal all the other lines would wish to become parties to it, the Great Northern and the Northern Pacific with their connections between St. Paul and Chicago and between Chicago and Detroit, and so on.

Q. So the rates you quote are the rates of all lines covering the same territory?—A. Yes, unless somebody is foolish enough to hold out for a higher rate, and he would not get any business.

By the Chairman:

Q. Can you give the rates from Halifax to the places I have already named?—A. I do not think I can, sir.

Q. They would include, I suppose, an Intercolonial rate?—A. Yes. (Consults documents.) No, sir, I have not the tariffs with me.

Q. Will you give the rates from Yarmouth and Digby?—A. The rates from Yarmouth are generally 10 cents per 100 pounds over the rates from St. John, and from Digby 5 cents over St. John.

Q. In carload or less carload lots?—A. In carload lots.

Q. But can you take carload lots from Yarmouth or Digby on account of the Bay service, which is a ferry?—A. Of course, there is no ferry.

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Q. There is a boat crossing there daily which does not afford facilities for handling fish in carload lots?—A. We bring them in carload lots across the Bay. Of course, from St. John they are handled by car. That is the first opportunity we have of using cars.

Q. What is the less than carload rate from Digby and Yarmouth?—A. I cannot tell you, sir. There is a special less than carload rating made, I do not know what it is.

Q. Did I understand you to state in reply to a question by Mr. Kyte that you did not have the rates from Vancouver to points East, Vancouver to Calgary say?—A. I cannot tell you the rate from Vancouver to Calgary. I can give you the rate from Vancouver to the East, to Montreal.

Q. Will you furnish the Committee later with a memo. giving the rates from Vancouver to Calgary, Winnipeg, Toronto, Montreal, St. John and Halifax?—A. Yes.

Q. Can you state the time required to carry fish from Vancouver to the points named, by freight?—A. About nine days or ten days.

By Mr. Chisholm (Inverness):

Q. From Vancouver to what point?

By the Chairman:

Q. I wanted to get them individually. Take Calgary, for instance?—A. I would have to give you a schedule to those points. To Toronto or Montreal it would take eight or nine days.

Q. All that fish travels by refrigerator car?—A. Yes, sir, fresh and frozen.

Q. Are the rates which you have given on the net weight of the fish or the gross weight of the package?—A. The gross weight of the package.

Q. There is no allowance made for the shrinkage of the package caused by the melting of the ice?—A. No, sir.

Q. Do you have arrangements to re-ice the car en route?—A. Yes, sir.

Q. At what points?—A. We have numerous points, numerous icing stations, and it depends on the routes. I could give you the icing stations.

Q. Is an additional charge made for that?—A. We charge extra for the ice.

Q. What is the extra charge?—A. About $20 at the present time from the coast to the East, or from the East to the coast.

By Mr. Kyte:

Q. $20 per car?—A. Yes.

By Mr. Chisholm (Inverness):

Q. Is that without reference to the season of the year?—A. Yes. At the present time it is uniform, that is where icing is required.

By the Chairman:

Q. Freight is not delivered by the railway at places like Montreal, I suppose?—A. No, there are a great many non-cartage points, and even at cartage points we, of course, charge the cartage extra.

Q. You have facilities for cartage at Montreal?—A. Well, there is a separate cartage company acting for us there.

Q. Can you state the rates of cartage at Montreal?—A. Yes, 4 cents per 100 pounds.

Q. And is it the same at other points?—A. No, at Toronto it is 3½ cents.

Q. And how is it at Quebec?—A. I do not know what the cartage is at Quebec.

Q. It is between 3 and 4 cents, I suppose, at these different places?—A. Yes, sir.

Q. What is the fast freight time between Halifax and Montreal?—A. The fast freight time between St. John and Montreal is 36 hours. I cannot tell you between Halifax and Montreal.

Q. You only wish to speak so far as your own system is concerned?—A. I am willing to give you any information about our connections, but I cannot tell you about other railways.

Q. Are fast trains now reliable as to making schedule time over your lines?—A. No, for instance, not to Montreal. The schedule is 36 hours between St. John and Montreal. We had an arrangement once before with the Department, and we had to take all sorts of precautions that the 36-hour time would be lived up to, because, of course, it is a rather short time.

Q. Did you find much difficulty in living up to it?—A. It never came to anything. We made the schedule, but it never came to anything.

Q. Was that for carrying fresh and frozen fish?—A. Yes.

Q. When shipments are made by refrigerator cars, the icing, I understand, is paid for by the shipper?—A. Yes, sir.

Q. Was this the case previous to, say, a year ago?—A. Oh, yes.

Q. We had information here awhile ago, I think it was from the Department, that previously the railways iced these cars without making a charge?—A. That must have been a long time ago.

Mr. FOUND: The I.C.R. did.

By the Chairman:

Q. Your Company has always made a charge for icing en route?—A. Yes. So far as the I.C.R. are concerned, it was just from one pocket into the other. The Government had some arrangement with the I.C.R.

Q. When you supply a refrigerator car, and charge these rates, per 100 lbs. for a minimum of 20,000 pounds, do you furnish the car already chilled or iced without making a charge, or do you charge for the first icing?—A. We charge for the first icing.

Q. What do you charge for the first icing?—A. $2.50 a ton for the ice.

Q. And each subsequent icing?—A. At the rate of $2.50 a ton.

Q. For the ice supplied?—A. Yes, sir.

Q. So that the average for icing a car is about $20?—A. Well of course, we have a special upset rate across the continent of $20 a car. But between, for instance, St. John and Montreal we would charge up the ice at the rate of $2.50 a ton.

Q. How many tons would it take to ice a car for a short run?—A. The first icing would take about 4 tons, and that might suffice to take it right through.

Q. Four tons at $2.50 would be $10?—A. $10.

Q. That would normally do to run through on a 36-hour schedule?—A. There are two nights and one day: I think it would take it through all right. But the instructions are, if the car requires icing en route, to fill up the bunkers and charge at the rate of $2.50 a ton.

Q. You say the minimum carload weight for fresh fish is 20,000 pounds. What is the minimum carload quantity for smoked fish?—A. Pickled and salted fish between St. John, Ottawa and Toronto is carried on the minimum of 30,000 pounds.

Q. What about smoked fish, does that include smoked fish?—A. I think it does, but I will look it up—yes.

Q. When was that minimum made?—A. Oh, excuse me, "Canned, salted, dried or smoked fish, minimum 24,000 pounds between St. John, Montreal and Quebec, and pickled 30,000 pounds."

Q. That is the minimum which is in existence at the present time?—A. Yes.

Q. Has any change been made in the minimum of through carload lots for fresh, frozen, pickled or smoked fish within a year?—A. Not within a year, I do not think so. The rates have been reduced within a year, but I do not think the minimums were raised within that time.

Q. Mr. Hayes made the statement when here a few days ago, Mr. Macdonell, that the Intercolonial Railway had raised the minimum from 20,000 to 24,000 for fresh or frozen fish, and from 24,000 to 30,000 on smoked and pickled fish, and that this was done

after consultation with the C.P.R. traffic officials; I am not sure whether he said it was done at your request, or by the Intercolonial, but at all events that there was an understanding between the two roads whereby these minimum carload lots should be raised?—A. Well, here is our tariff, 20,000 pounds and that stands today, and it could not have been raised, that is fresh and frozen, and 24,000 pounds for canned, salted, dried or smoked, and we have a rate of 30,000 pounds on pickled fish; that is on account of the very much lower rate there is on pickled fish.—I am speaking of course of these rates from St. John, I am not quite sure what they may have been from Intercolonial points.

Q. You are speaking of business which originates on your own system?—A. St. John, yes; the Intercolonial may also have rates from St. John.

Q. But if the Intercolonial railway originated a carload lot of fish, say at Mulgrave, and if by any circumstances it were to be diverted via St. John over your road to Montreal, would their minimum or your minimum govern?—A. The minimum that the tariff carries would govern all the way through, and in the case of St. John the minimum that is shown in this tariff would prevail both in the case of the Intercolonial and the C.P.R.

Q. In any case with regard to the Mulgrave shipment the Intercolonial minimum would govern?—A. Yes.

Q. Now you are sure that your statements are correct as far as the minimum carload lot weights of 24,000 pounds for canned, salted, dried or smoked fish and 30,000 for pickled fish is correct?—A. Yes.

By Mr. Kyte:

Q. Does your road carry local freights in competition with the I.C.R. on any section of the Intercolonial railway?—A. Oh yes, St. John and Fredericton are competitive points of the Intercolonial Railway that carry in competition with the I.C.R. to Montreal and points west.

Q. And to points east, to Halifax for instance, I suppose?—A. Of course with regard to our connection there we do not compete exactly with them unless we do so through the Dominion Atlantic Railway. We have a rate over that road and simply meet their rates.

Q. Did you raise your rates in the Maritime provinces in the course of the last two or three years?—A. No, sir.

By the Chairman:

Q. Does your railway make every reasonable effort to place the cars at the disposal of the consignees at the most convenient place without loss of time after their arrival at destination?—A. Yes.

Q. I am speaking now of, say a car loaded with fish?—A. Yes.

Q. How long after the arrival of a train at an important point like Montreal is it before delivery of a shipment of fish to a consignee can be made?—A. About 24 hours at the present time.

Q. Is it 24 hours after the train arrives at Montreal before the car can be shunted into position for delivery?—A. No. If a carload of fish, for instance, arrives at Montreal, under this arrangement between Mr. Found and ourselves, we figure that the car would arrive in the morning and we would try to place it in the afternoon so that the consignee would be able to take the delivery of the fish that afternoon.

Q. That would be more nearly six hours than 24?—A. Yes.

Q. It takes 36 hours en route to Montreal and another six after arrival, making 42 hours before the fish can be delivered?—A. Yes.

Q. What are the conditions under which the express business is handled by the railway as to the distribution of revenue?—A. I could not say, sir, I could only repeat what Mr. Pullen has said.

Q. You have no knowledge of that?—A. I have no knowledge of that.

Q. Does the railway object to hauling a refrigerator express car for the transportation of fish in addition to the ordinary passenger car, or do you know?—A. Well, that depends on what portion of the line that train has to be hauled over.

Q. I am speaking now of the regular through line?—A. If the tonnage of the train is not beyond the hauling capacity of the engine I presume they would be glad to haul it.

Q. The refrigerator cars are, I suppose, of the regular standard construction equal to the other cars which are found on express trains?—A. Yes, cars run on express trains have Krupp wheels, otherwise they are the same as the ordinary cars.

Q. How many refrigerator cars are available on the eastern division of your line?—A. About 500, I think.

Q. Is that for the division east of Montreal?—A. Oh no, east of Fort William. The number of cars east of Montreal will, of course, depend upon the car distribution, we distribute them as promptly as they are required.

Q. There would be no shortage of cars required for the shipment of fish inland?—A. We have had difficulty in supplying cars as far east as Mulgrave, because they have to be hauled empty.

Q. But your refrigerator cars have been hauled to points like Mulgrave on the Intercolonial Railway?—A. Yes.

By Mr. Kyte:

Q. Do you not always provide haulage power sufficient to carry the train, no matter how many refrigerator cars there may be on it? You said in answer to the Chairman that you were always willing to haul refrigerator cars up to the capacity of the engine?—A. The Chairman's question, I think, was with regard to express refrigerator cars which would be handled on the passenger trains. With regard to freight trains there is no trouble at all in that direction.

Q. Assuming there were two or three refrigerator express cars offering, your company would provide the haulage to carry them without delay along the line?—A. Oh yes.

By the Chairman:

Q. Has there been an agreement between the Railway Companies as to the rates charged by Express Companies over their lines?—A. Do you mean between the passenger and the traffic departments of the railways and the Express Companies?

Q. Yes.—A. No, we never hear anything from the Express Companies.

Q. They make their own rates?—A. Yes, absolutely independent of our freight rates or anything of that kind.

Q. Can you state what quantity of fish has been hauled by freight from the Maritime Provinces into Montreal over your line last year?—A. No, sir. I can give you a statement, though, in carload, and less than carloads, if you like.

Q. Have you that information here?—A. No, sir, I have not.

Q. Can you furnish such a statement to the Clerk of the Committee?—A. Yes, I will try to do so.

Q. Do you consider that the rates which are charged now for the transportation of fish from the Maritime Provinces to inland markets of Canada are fair?—A. Yes, very low, compared with the rates on other articles.

Q. Is it a business which is attractive as far as the railways are concerned?—A. No, it is not particularly attractive, but it has been our policy to make as low rates as we can on fish to help out the industry. Of course, these rates are very much lower than class rates.

Q. You haul more empty cars west than you do east from the Maritime Provinces, do you not?—A. No, at the present time it is the other way round, practically. I mean to say, generally speaking in the winter time it is the other way round, all loads go west.

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Q. And have you to take empty cars down there?—A. No, I think it is about a stand-off.

Q. Then so far as car capacity is concerned there is no discrimination against freights from the east?—A. No, not at all. Once we make rates we do not consider what the conditions are—whether they are loads going east or empties going east. Once we make a rate it means we have to take care of the business.

Q. Would it be feasible in the case of a carload of fish leaving St. John in a refrigerator car, upon which you would charge the through carload rate, we will say to Toronto, for that car to be opened at Montreal and a portion of the fish freight set down, then the car sealed up again, and a further quantity of fish set down at perhaps one or two other points between there and Toronto?—A. Well, it would mean a tremendous delay all the way through. I noticed, when reading the evidence, that the suggestion was made, not only to take on fish but to distribute it when going along. That would be all right if the fish were delivered at passenger stations, but it could not be delivered at passenger stations; it would have to be run into freight sheds away from the passenger stations altogether. It is not a matter of running into that station, dropping it off and going on. It would have to be set off and not set back again on the train until after considerable delay, perhaps a day in each case; I am quite sure it would be a day in Montreal.

Q. Why would it not be practicable to set it down at a passenger station?—A. We would not have the facilities for taking care of it.

Q. If the consignee were there to take care of it could it not be done?—A. I do not think it could be done no matter how willing the railway companies would be to do it; it could not possibly be done.

Mr. FOUND: Why could it not be done if the railway companies were willing to co-operate? That is, keeping in view that these shipments may be put off at the freight stations. They would be forwarded from the freight stations to the wholesaler in Montreal?

By Mr. Loggie:

Q. The difficulty arises that you would have to set your car off at the freight sheds?—A. Yes, sir.

Q. And that is not practicable?—A. No.

Q. Without considerable delay and considerable expense en route?—A. Well, the delay particularly. We would not mind the expense. For instance, in Montreal we have to haul the car around about 11 miles to get to the proper place where it should be delivered.

By the Chairman:

Q. And then draw it back again?—A. Yes, bring it back again.

Q. But you don't mean to convey to the Committee the idea that a train made up in St. John would go through to Toronto without being broken up and the cars switched round anywhere?—A. Most of the cars going to Toronto would not go in to the Montreal terminals at all. They would not touch them at all, they would go right through.

Q. Where would they pass, at Montreal West?—A. A little west of there, Montreal Junction, if you like.

By Mr. Loggie:

Q. And there would be this difficulty, would there not,—suppose you took Sherbrooke for example en route—there would be two or three cars in the warehouse?—A. Yes.

Q. And if you wanted to set off one of your cars in order to place it in that warehouse, those cars would have to be first removed, then the other car placed in the warehouse and the desired freight taken out?—A. Very probably that would be the case.

Q. That means considerable delay which would render the scheme somewhat impracticable.—A. In other words, practically, the car would have to be dropped off and picked up again some time or other.

By the Chairman:

Q. That is if you attempted to set fish down in your freight shed, but if, on the arrival of a train, a consignee were there and took responsibility for the delivery of the freight to him at the point where the car stopped, or at some crossing, would not that be a way of getting around the difficulty?—A. Well, it would not be feasible.

Q. You say, as a railway man, that in your judgment it would not be feasible? —A. No, it would not be feasible; we could not make proper deliveries.

By Mr. Stewart (Lunenburg):

Q. But you deliver packages of other goods?—A. Yes.

Q. Baggage and all that kind of thing?—A. Yes, express and baggage and all that kind of thing. But that is an entirely different matter. That is just what I am trying to explain.

Q. What is the difference? If the consignee is right there to take charge as the Chairman says, why would you not deliver a package of fish the same as you would deliver a package of anything else?—A. In the first place our cars are loaded in such a manner that you would have to scramble all through the car to get at a certain package. It really would mean your having to set the car off, go through the car and take the stuff out, then deliver it, and get a proper receipt, and all that kind of thing.

By Mr. Chisholm (Inverness):

Q. But suppose you arrange your packages so as to have the boxes in such a position that you could get at them easily as you went along? For instance, you would know where you were going to put off your first consignment and could arrange to have that placed near the door, and all the other packages likewise, just like a schooner does when it is plying along the coast—A. That is what we do. We do that now.

Q. Would not that expedite matters? You are a railway man, giving your opinion as a railway man.—A. You have to take receipts for these goods, and see that they are in proper order when they are delivered.

By Mr. Stewart (Lunenburg):

Q. Why does one rule apply to fish and another to some other class of goods?— A. I am not picking out one from another kind of goods; I am speaking of all freight, just what Mr. Loggie is saying.

By Mr. Loggie:

Q. Freight is heavy, especially fish, and you cannot handle it unless you put it on a level with your warehouse, and then they are taken out on trucks to the team on the other side. You cannot back your team to get fish out of the car?—A. Half the time there would not be facilities for doing so.

Mr. LOGGIE: Have you taken up the question of express facilities with Mr. Macdonell, Mr. Chairman?

The CHAIRMAN: I have not.

The WITNESS: I am afraid I cannot give you very much assistance in connection with express freight.

By Mr. Loggie:

Q. I would like to ask how we could get information regarding the construction of an express car that would serve the dual purpose of general express and have a portion set apart by insulation so that frozen fish could be carried in the winter

season. There is greater danger in carrying fish by express in the winter season than there is in summer. In winter frozen fish is put into a car heated by steam pipes, the effect of which is to cause the oil in the fish to run, and the fish deteriorates within 24 hours. I think provision can be made by the Government for better storage facilities when they are building new express cars or remodelling those at present in use. In your opinion would it be feasible to construct an express car with one quarter of the car partitioned off?—A. I do not think it is feasible. I do not make that as an absolute statement, but I do not see how you can insulate any part of a steam-heated car.

Q. Could there not be a portion of the car insulated and kept quite cool in the winter season?—A. I would be very glad to get our people to give you blue prints and an opinion on that.

Q. I think it is very desirable for this Committee to hear the judgment of your Master Car Builder, or a similar official of the Intercolonial Railway.—A. I will be very glad to get our Master Car Builder to give you all the information he can on that subject as soon as possible.

By Mr. Stewart (Lunenburg):

Q. Does your Company operate a fast freight refrigerator service to Nova Scotia points, say Mulgrave?—A. No, of course, not from Mulgrave. We did try to make an arrangement of that kind between St. John and Montreal.

Q. I understood you to make some reference to Mulgrave in your remarks some time ago, and I did not understand what you were referring to then?—A. Any business between Mulgrave and Montreal would be handled by the Intercolonial direct. But we did endeavour to put in a fast freight service between St. John and Montreal for the fish business, but it was not tried out. Unfortunately it was opened at the end of the season, and the people did not avail themselves of the car we set aside for them weekly, and the season was over, and we never gave it a trial.

Q. Can you operate a fast freight service over your Dominion Atlantic line in competition with the Intercolonial?—A. There is a great deal of fish moving there now; it is being handled now; and a great deal moving now between Yarmouth and St. John, and Digby and St. John.

Q. But do you handle any fish business between Halifax and Digby over the D.A.R.?—A. Very probably that route will be opened up for that business one of these days.

By Mr. Loggie:

Q. You do handle a fast freight service between Fredericton and Boston?—A. Ours is a very short haul there, it is only about 68 miles from Fredericton to Vanceboro'.

Q. I will tell you one thing that would improve that service: if the cars could be charged with ice and salt en route at Bangor or Portland, not at Vanceboro.—A. There are icing facilities all along the line.

Mr. LOGGIE: But nobody looks after the small freight shipments. Although the car is fully loaded it is made up of small shipments for which nobody is responsible, unless the railway itself takes charge. Sometimes the goods do not arrive in very good order.

The CHAIRMAN: If there are no further questions to ask, we will consider this witness discharged.

Witness discharged.

The CHAIRMAN: At the request of Mr. Sinclair, I wrote Mr. Masters of the Yarmouth Steamship Co., Boston, asking him if he would give evidence before the Com-

mittee, as he is out of the jurisdiction and is not a "compellable" witness. He replied to the effect that he was leaving for the South in a day or two—his letter is dated the 8th instant—and he would not return until about the beginning of April, after which time he would be available if the Committee desired to take his evidence. With regard to Mr. Loggie's inquiry as to the opinion of a Master Car Builder on the subject of sub-division of an express car, so that one end can be refrigerated for the carrying of fish, I may say that I understood from Mr. Stout that he would get a report for submission to the Committee. In case he does not, Mr. Found or the Secretary will write him. The information will be obtained at all events and will form part of the record.

Committee adjourned.

APPENDIX No. 3

HOUSE OF COMMONS,
COMMITTEE ROOM No. 301,
MONDAY, March 20, 1916.

The Committee met at eleven o'clock a.m., the Chairman, Mr. Jameson, presiding.

Mr. MOISE LAPOINTE called, sworn and examined.

By the Chairman:

Q. You live in the City of Ottawa, Mr. Lapointe?—A. Yes.

Q. And you are engaged in the fish business?—A. Yes.

Q. How long have you been engaged in that business?—A. Twenty-two years.

Q. You handle, I suppose, fresh and frozen fish as well as smoked and lightly cured fish?—A. Fish of all kinds, and poultry and game.

Q. Do you get part of your fish from the Atlantic coast?—A. Yes, we get it from pretty nearly every direction.

Q. How do you have it come from the East?—A. Which kind do you mean?

Q. Fresh fish?—A. Halibut and salmon?

Q. You do not get much of that from the Atlantic, do you?—A. No, I do not, I get haddock, cod—

Q. You get haddock, cod, halibut and other fresh fish? How do you get it?—A. In the summer time it comes by express.

Q. Do you find that it arrives in pretty good condition?—A. Yes, sometimes it is lacking a little in ice.

Q. Do you get it shipped to you direct from the Maritime Provinces or do you purchase from a Montreal firm?—A. Well, in the larger number of cases, we get it direct.

Q. Then sometimes it will be shipped to you from Montreal?—A. From Montreal.

Q. By express?—A. By express.

Q. What is the express rate from Montreal to Ottawa?—A. Seventy-five cents.

Q. Do you deliver fish in the city of Ottawa to your customers?—A. Yes, we do.

Q. What is the average weight of parcels to the householder?—A. The average would be about three pounds.

Q. What does it cost you per parcel to deliver it?—A. About five cents, four and a half to five cents.

Q. Do you deliver by teams?—A. Teams, yes.

By Mr. Kyte:

Q. You say it costs you four and a half to five cents to deliver three pounds?—A. Yes.

By the Chairman:

Q. Do you arrive at that conclusion by ascertaining the cost on your fish business, or is that common to all parcels along all lines of your business?—A. Well, that is pretty nearly common to all parcels, as nearly as possible.

By Mr. Kyte:

Q. That is for each individual order?—A. Yes, that is the way it figures out. Of course some parcels take a little longer time to deliver than others.

By the Chairman:

Q. I suppose most of your orders are received by telephone?—A. Yes.

Q. You do a fish business all the year round?—A. All the year round.

Q. On what days of the week is the demand the greatest, or is it perceptibly larger on some days than others?—A. On Thursdays and Fridays is the greatest demand.

Q. Do you find the fish business is increasing?—A. Yes, it is increasing.

Q. Is there much demand here for cured fish such as salt cod?—A. Yes, there is quite a little demand for boneless cod, shredded cod fish and salt cod.

By Mr. Hughes (King's P.E.I.):

Q. Do you know whether there is any demand for salt or cured fish?—A. Yes, it has been increasing.

Q. I have enquired and cannot get salt cured herring in Ottawa.—A. Which kind do you mean?

Q. Salt cured herring?—A. Herrings—well they are very scarce just now, they have been and are even yet because of the price. I can remember years ago in Ottawa when one or two carloads of salt herrings were the most you would get in, but take it now between the wholesale grocers and everything we sell five or six carloads.

Q. In barrels?—A. Yes, in barrels and half barrels. Of course a lot of that is shipped to little towns around here such as Arnprior and Almonte.

Q. Where do you get them?—A. The majority of them come from Halifax.

Q. They appear to be of very poor quality when you get them here as compared with what we get down in the Maritime Provinces.—A. I think you will find this year the herring were pretty good.

Q. No, they were poor.—A. Well they were what we think were good, unless you keep the best ones at home.

By the Chairman:

Q. From whom, or do you know, does the Chateau Laurier purchase fish?—A. From us, and they import a little from the States also.

Q. Have they a proper refrigerator on their own premises?—A. Yes, they are very well equipped.

Q. Then any fish which is stale when they serve it must have been stale when they purchased it?—A. I do not think they purchase very much stale fish because any that we send there we are very careful, and I do not think they get stale fish. They do not find fault with the price, but they want the best stuff that can be got.

Q. There was a member of the House of Commons told me the other day that we should summon the manager of the Chateau Laurier and ask him why he did not purchase good fish, because he had got some Atlantic fish there that was very stale?—A. Just now they are buying cod fish, haddock and halibut and paying the best prices.

Q. Do you import much fish from the United States?—A. Not very much, but we import a little.

Q. What lines of fish?—A. We import shad, haddock, cod and a few halibut.

Q. Is that at certain seasons of the year only?—A. At certain seasons, but pretty nearly all the year round we are getting a little quantity from there at times.

Q. That is done at times, I suppose, when Canadian fish is not available?—A. Yes. it is, and on the other hand, you take the Portland fish: it is shipped from there at night and you get it here next day at noon, and their fish—I don't know how it is—is firmer and fatter, and we have a class of trade that calls for that.

By Mr. Kyte:

Q. It arrives in better condition, I suppose, than the fish from the Maritime Provinces?—A. Yes, and the fish seems to be better too, it seems to be more plump, I don't know why it is. We had some haddock two weeks ago from Portland that weighed 12 and 13 pounds with the insides and everything taken out.

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By the Chairman:

Q. It has been stated here by a witness that in the transportation of fish from the Maritime Provinces to a central market like Montreal or Ottawa, there is a shrinkage in the weight of fish, if the car in which it travels is not properly chilled, of about 10 or 15 per cent, and that the fish slimes and otherwise deteriorates.—A. Well, I do not think it would be 15 per cent.

Q. Well, it was stated that the shrinkage in weight is 15 per cent, before it gets to Montreal from the time it is taken off the ship.—A. Mr. Chairman, I don't think the Montreal men lose anything, they just re-ship those packages at the original weight.

Q. And the shrinkage is borne by the retailer?—A. Yes, the retailer.

Q. And the consumer, because he has to charge a price which compensates for the shrinkage?—A. Oh yes, but we never figure the shrinkage as very much.

Q. But you do not calculate to lose anything on the business?—A. No, we do not calculate to lose anything.

Q. There is a loss, I suppose, in handling fish in a retail store?—A. Yes, and there is an awful lot in the cutting up of fish. We cut up an awful lot. Sometimes we strike in the halibut that comes from British Columbia what they call a thawing fish. It looks like a nice fish but when you go to cut it it is all mushy and soft and you cannot use it. Sometimes I have seen thrown away probably out of a box of fish, 80 or 90 pounds.

Q. What is the percentage of loss on fish in a retail store which is properly equipped?—A. Oh, I should say, if they are very careful, 10 per cent at certain times of the year. Of course, in the winter there should not be any loss at all, Mr. Chairman, only the waste in cutting up.

Q. There is always a certain amount of fish discarded because it deteriorates before you can get it to the consumer?—A. I will tell you. The fish sometimes come in a very narrow state, you know. That fish we have to sell at a discount.

Q. The present method of transporting fish is not satisfactory, is it?—A. Well, it could be improved a lot.

Q. In what ways, in your judgment, could it be improved?—A. Well, I think that if they boxed the fish with ice and kept it well supplied and had ice along the route, or else if they had a kind of refrigerator compartment in the express car.

Q. Have you received any fish this year which has been forwarded by fast freight in refrigerator cars?—A. No, we have not, Mr. Chairman.

Q. Have you studied the question sufficiently to say whether in your judgment that would obviate the difficulty in the way of getting fish here in proper condition? —A. Of course it would not affect Ottawa so much because there is not the bulk of the trade here which would recompense them sufficiently for the equipping of a car.

Q. Can you say what quantities of fish are sold by the principal retail stores here per week?—A. It would be pretty hard to say.

Q. You could not arrive at any definite figures?—A. No, I could not just say how much there is. There are quite a number of butchers and grocers who get their fish direct.

Q. Are the retail stores properly equipped for preserving fish and preventing it from deteriorating, I mean are they supplied with refrigeration?—A. You mean the fish stores?

Q. Yes?—A. Yes, because the moment we get any fish in the summer time it is all washed and repacked in ice, and that fish is washed again before it is sold, so that the fish is kept on ice all the time.

Q. It is kept on ice, is it not kept in a refrigerator section?—A. Some people when they get their fish, just put a little ice on the boxes and put them down in a cool room We contend if the fish is taken out and washed and re-iced and put in proper boxes with ice on it, it is better.

Q. What do you think would best tend to increase the popularity of fish as a food? —A. Well, I will tell you what the trouble is in the fish business. We are up against the average cook and housemaid.

Q. They do not know how to properly cook fish?—A. Not only that, but I know the fish business almost from the start. I started to deliver parcels, helping my father when I was a youngster going to school. I would go in to the house very often with a parcel of fish, and the cook would turn round and swear at it, saying: "There is that dam fish coming again." I have known of cases where they would even spoil the fish in cooking because they did not want to have it in the house, said it smelled up the kitchen. I think that is the greatest drawback in the fish business; that the help don't like to handle the fish. They don't like to fix it up and do not like to cook it.

Q. In other words, they do not understand the handling of fish?—A. They do not understand—the only thing to them is the bother they go through.

Q. The fish you send to the ordinary householder in Ottawa, I suppose, is already prepared for the pan or the oven, is it not?—A. No. On Fridays we are too busy to prepare fish because our trade here is such that we get a lot of people coming right into the store to make purchases, and we have also two telephones going all morning

Q. The objection, I suppose, these people have to cooking fish is chiefly because it involves more work and trouble to prepare fish than it does to prepare meats. A. We have notified people through the papers that if at any time they want fish prepared, to give us the order on Thursday. We will prepare it for them at any time—fillet it, skin it, or clean it, whatever they want.

By Mr. Hughes (King's P.E.I.):

Q. Do you get many orders in that way?—A. Oh yes, we get quite a few. I think myself that if you take fish that is prepared, take a haddock, for instance, if they fillet it, take the skin off and parcel it, unless you have a very quick delivery you take all the flavour out of that fish. With the majority of the people in Ottawa it is not a high class trade, is is a very ordinary trade: they buy a fish, they will use the head for broth or something, and they will cook the whole fish by boiling it. If you take a fish of any kind and clean it, unless that fish is delivered, say within half an hour, the wrapping paper, no matter what kind of paper you use, will draw out half the flavour that is in the fish.

Q. That is the trouble with preparing fish?—A. Yes. I think the Government has taken a good stand with these books which they have printed and distributed. As the Chairman was saying a while ago, the majority of people do not know how to prepare fish. I think that is the main reason why it is not more popular. They will take a piece of fish, say a piece of halibut and put it in a pan, and all they do is to wait until it is cooked dry enough. Then they serve it and some of it is just like a piece of leather. The same people will go away and will eat fish in a hotel or some place like that, and when they come back they will come to us and say: "Why can't you get fish like we got in Montreal, Toronto or Halifax?" Why, they go to places where they know how to prepare fish and how to flavour it.

By Mr. Copp:

Q. Have you sufficient knowledge of cooking to pass judgment upon the cookery book issued by the Government?—A. I have read quite a lot of it. It stands to reason, you know, I have cooked fish myself and prepared it, so that I know—if you take a piece of fish and let it dry up there is no taste to it.

Q. But I understand that a lot of chefs for the leading hotels have condemned the cookery book referred to, and the Government have withdrawn it from circulation.—A. I don't think they would copy it because they have their own ways of cooking.

The CHAIRMAN: Is it the case, Mr. Found, that the Government have withdrawn the book from circulation?

Mr. FOUND: Oh, no.

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By Mr. Loggie:

Q. Do your customers after receiving a piece of frozen fish from you, know how to handle it before they attempt to cook it?—A. The majority of them do not.

Q. It is a very simple process to put it in ice-cold water?—A. Yes, ice-cold water.

Q. Don't you think the fact that they allow the fish to get warm in the kitchen, instead of putting it into ice-cold water before cooking causes the fish to deteriorate very much in the process of cooking?—A. Yes, because the flavour runs out. If you put it in cold water it takes the frost out of it quick.

Q. Would it not be a good plan for the retail merchant to have his parchment paper printed with that suggestion on it? Of course, that would only apply to the winter season I know. It would not cost much?—A. Yes.

Q. My experience has been that frozen fish, properly handled, is very nearly as good as fresh. It is like a piece of frozen meat; if you take it into the kitchen and let it thaw out the flavour will be affected.—A. We have some people who want to get frozen haddock in preference to fresh, but I would not.

Q. Those people evidently know how to handle it in that case?—A. Yes. Very often people get a piece of frozen fish, and they put it in lukewarm water; they do not know any better Some let hot water run on it.

Q. I heard you speak about herring a few minutes ago. I want to ask you if there are any Scotch cured herring retailed to any extent on this market?—A. I have not seen any. We used to get the regular Scotch herrings, Loch Fyne, but at the convention of the Fisheries' Association in Montreal there was a paper read on that subject, and the Government is taking up the question and is arranging to send inspectors to show the packers how to put up their fish, and show them how to handle them in order to produce a herring that will be almost equal to the Scotch herring. There is a growing demand for these herring in this country.

Q. Have you ever sold any at all?—A. A lot of them.

Q. Do you know how they are prepared for food?—A. Well, we sell the majority of them to the Jews, and they pickle them.

Q. They do not cook them?—A. No, they are pickled, that is all.

Q. Are they suitable to cook—I mean to say, would they be desirable?—A. Oh, yes, they are. They pickle the majority of their fish; they chop it up and pickle it.

Q. I learned that the other day. Some of them eat them raw, even without pickling.—A. I have never seen them eat them raw.

Q. One of the Russian merchants told me that the other day. They showed me half a barrel, and they certainly seemed nice.—A. I was speaking of fish in general. Some eat salt herring raw, yes; like the salt sardines that you get in barrels, they just wash them off a little and eat them with bread and butter.

Q. There is not very much demand for Scotch cured herring cooked as fresh herring are?—A. I think there would be if the people were educated, because they are a better herring. There is more flavour; lots of them have the roes, which are very nice.

By Mr. Hughes (Kings, P.E.I.):

Q. Do you really consider the Loch Fyne herring better than the Nova Scotia cured herring?—A. Yes, sir.

Q. I never had a Loch Fyne herring I could eat at all?—A. If one travels very much, the first thing you will strike on the bill of fare in any hotel is Loch Fyne herrings. As I said a little while ago, probably the Maritime Province people keep the good herrings down there.

The CHAIRMAN: There is enough herring for all.

By Mr. Loggie:

Q. Has the business from the Maritime Provinces been increasing during the last few years, that is to say, there have been less fresh fish coming in from Portland

and Boston of recent years?—A. Oh, yes. I have seen a lot Mr. Loggie. Before my time they used to get all their fish from Portland.

Q. But since ten years ago?—A. There is less haddock coming in from Portland now than there was then.

Q. And less cod too?—A. Yes. That car coming to Montreal regularly, reducing the price, and the reduction in the cost of express charges, account for the new conditions.

Q. The reduction of the express charges by one-third has operated to some extent to bring this about?—A. Yes.

By the Chairman:

Q. Has your fish business increased during the past five years?—A. I think it has, not very much, but I think it has. There are more people handling fish than there were at first.

Q. There has been an increase in the use of Canadian caught fish?—A. Yes.

Witness discharged.

The CHAIRMAN: Mr. Found, Mr. Copp addressed a question to you, or to the witness, regarding the booklet: "Fish and How to Cook It," issued by your department. He seemed to think there had been some criticism of it. Would you state what you know about that?

Mr. FOUND: We have not had a criticism from any hotel or from any source, so far as I am aware, with the exception of the assistant chef who was employed by us at the restaurant at the Toronto exhibition last year, who wrote us some months after the restaurant was over; and the letter was addressed from a private address in Montreal. It was accompanied by an offer to submit a new set of recipes. In order to draw him out, I asked the chef how much he would be prepared to submit such recipes for, and he asked, I think, a thousand dollars. In other words, it was quite obvious that it was not the book itself that was the difficulty, but that the man wanted something to do. We have not had any criticism: on the other hand, we have had a great many commendations from many sources.

Mr. COPP: I understood there had been some criticism. I had heard a great many women down in our country, who had the book, criticising the suggestions. I had heard that the book was really withdrawn from circulation.

Mr. FOUND: On the contrary, we have been requested from a number of sources to issue more. I might also say that many to whom books were sent for distribution have sent for additional quantities. The difficulty is to keep up with the demand.

Mr. HUGHES (Kings, P.E.I.): The difficulty I find in the ordinary restaurants and hotels with regard to salt fish is that they are not properly soaked; the salt is not taken out. People do not know how to remove it. Is that subject referred to in the booklet? As a rule, the fish are brought to the table so salt they cannot be used.

Mr. FOUND: I do not know that that criticism has been made of it. But there are recipes for preparing salt fish.

Mr. HUGHES (Kings, P.E.I.): I have occasionally taken my meals at the Rideau club, and the fish there was delicious, because it was properly prepared.

The CHAIRMAN: The person who wrote you was engaged by your Department in connection with the Toronto fair?

Mr. FOUND: Yes.

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Mr. J. LAMBERT PAYNE called, sworn and examined.

By the Chairman:

Q. You are in the service of the Dominion Railway Department?—A. Yes.

Q. What is your official capacity?—A. Comptroller of Statistics.

Q. Can you inform the Committee what the earnings of the express companies in Canada have been during the past few years?—A. I can give you the earnings of the express companies for the past five years, that is, the full extent of the period covered by any statistical information in the Dominion of Canada. Prior to 1911 there was not any information in relation to the business of express companies in Canada, but commencing with that year, a very comprehensive system of statistics was applied to the express companies, that system being identical with the plan of the Interstate Commerce Commission at Washington. The number of companies include American as well as Canadian companies, and it was thought expedient to have a system which was uniform on both sides of the line, so we adopted practically the schedule and classification of the Interstate Commerce Commission because that Board was in the field first. You asked for the earnings of the express companies. Do you mean the gross earnings or the net earnings?

Q. Perhaps you had better state both, the gross and the net earnings.—A. I will give you the gross earnings first and then explain how it was arrived at. In 1911 the gross earnings, if you care to call them that, of all the express companies operating in Canada, were:. $9,913,018.31

1912.	10,994,418.10
1913 (still higher).	12,827,478.96
1914 (slight shrinkage).	12,646,451.99
1915 (ending 31st June, 1915, a further drop).	11,311,797.20

By Mr. Stewart (Lunenburg):

Q. Those are the Canadian earnings?—A. Those are the earnings of the Canadian and American Express Companies entirely in Canada. Of course there is a slight arbitrary apportionment of earnings in Canada which it would be difficult to apply on any other plan; if you ship a parcel from Ottawa to New York, pay for which was collected in New York, it would be wrong probably to credit all the earnings to the United States. Then from the gross earnings there are two deductions which have to be made in order to arrive at the net operating revenue. The first deduction is the operating expenses and then there is the deduction for express privileges. The operating expenses are easily understood, they represent the cost of operating the business. The express privileges represent the money which the express companies pay to other carriers for carrying express matter. It so happens in Canada that practically means the payment of money by the express company to the "Owning" company, which is the railway company. All the Canadian express companies are owned by Canadian railway companies. That is not true in the United States, I do not know of a single express company of any consequence in the United States which is owned by the railway. But, in Canada, the whole of the express companies are owned by the railways. The Dominion Express Company is owned by the Canadian Pacific Railway; the Canadian Express Company is owned by the Grand Trunk Railway Company; the British America Express Company is owned by the Algoma Railway Company, it is a small affair; and then the Canadian Northern Express Company is owned by the Canadian Northern Railway.

Q. The Canadian Northern Railway have no specific name for their express company?—A. No, it is called the Canadian Northern Express Company. We just have these four, the Dominion, the Canadian, the British American, and the Canadian Northern operating in Canada. The order in which I named them is not the proper order relative to their importance. Now in 1911, with gross earnings of say

$10,000,000 in round figures, the operating expenses of these companies were $4,451,227.91 and the express privileges were a little more than that, $4,553,861.43. Still with these two deductions, one of which is almost entirely arbitrary, the express operating expenses you can understand are definite, depending upon the cost of operation to the express service; but the express privileges are purely an arbitrary amount, agreed upon between the express company and the railway company, largely a domestic matter.

By Mr. Loggie:

Q. That is about 50 per cent of the gross earnings?—A. Somewhere about 46 per cent in that year. I have calculated it, and I think it is 46 or 47 per cent, but it keeps going up.

Q. What percentage would be operating expenses?—A. The operating expenses, you see, are somewhere about 42 per cent.

Q. That would give them a net profit of about 12 per cent?—A. I have them all calculated out here. In 1911 the operating expenses amounted to 41·9, and the express privileges to 45·9.

By Mr. Kyte:

Q. In your operating expenses you have included all possible charges that could be made for operating the business, salaries and everything of that kind?—A. Absolutely everything, including the messenger on the express car and agents. "Privileges" includes nothing but the expense of operating over the railway. Since 1911, for every succeeding year up to this last year, there has been a steady rise in the operating cost, and an equally steady rise in the cost of express privileges, so that whereas in 1911 the net revenue was equal to 12·2 per cent in the last year it amounted to just six-tenths of 1 per cent. It kept going down from 1911; the percentage of these two items to the total gross earnings was 87·8 in 1911, 88·9 in 1912, 94·2 in 1913, 96·6 in 1914, and 99·4 in 1915.

By Mr. Stewart (Lunenburg):

Q. Was there a fairly even proportion in the increase of operating expenses and privilege expenses?—A. Apparently they have moved along pretty closely together.

Q. And does the same hold true with respect to the different railways and the different express companies?—A. Apparently.

Q. They are about the same?—A. About the same; they have all apparently increased, although I think there has been a larger rise in the Dominion Express Company, which has shown the greatest shrinkage in net results. That is the average of all the companies. I say with the utmost frankness it is absolutely startling.

By Mr. Kyte:

Q. According to your figures they have had no profits at all—A. They have eliminated their profits. The profits, Mr. Kyte, in 1911 were $1,207,929 and they were reduced to $68,668 last year. That is to say they were reduced to that on the basis of net operating revenue. They were doing an exceedingly profitable business up to 1913 on the face of it, and then, for reasons which I would like very much to know—

Q. Would the inauguration of the parcel post system have anything to do with it?—A. That came only in last year, Mr. Kyte, and I have made very careful enquiries as to the extent to which the parcel post had possibly reduced the net earnings or gross earnings, and the express companies—who are certainly sitting with their fingers on the pulse of the parcel post—believe that it affected 10 per cent of their business. But that was only for the first year, or for the first nine months, of the operation of the parcel post system. Then the information which reached me officially was that to a large extent the express companies had recovered the principal amount of that business. For example, in Toronto the Eaton Company had swung

over entirely to parcel post, but at the end of six months' experiments with parcel post, they swung back to the express companies. The elimination of the reduction of profits in the express business—I wish I could speak positively—is simply inexplicable to me. I can see nothing whatever in the circumstances to warrant a reduction of express earnings, except it be what I can hardly believe possible: poor business management in relation to the control of the expenditure; for while gross receipts were coming down, expenditure was violently going up.

By Mr. Hughes (Kings, P.E.I.):

Q. Would it be due to the arbitrary extension of the express privilege?—A. That is entirely arbitrary, Mr. Hughes. They can allow the railway what they will.

By Mr. Kyte:

Q. They have gone on increasing the commission assigned for express privileges each year, have they not?—A. Certainly, quite perceptibly, very much so.

Q. Would the increase in the allowance for express privileges account for the decrease in the profits?—A. In part.

By Mr. Stewart (Lunenburg):

Q. You give me the impression you think these figures are not bona fide as compared with five or six years ago. A. It would be assuming a very heavy responsibility to even imply such a thing, but—

Q. You do not wish to create that impression, but you certainly gave it to me.—A. Well, I may say the impression is in my own mind, and I could not very well conceal it. The impression in my mind is that the express companies have increased their operating expenses and their express privileges when, in the face of a declining income, they should have reduced it.

Mr. FOUND: Have you compared the Canadian Express Company and the Dominion Express Company?

The WITNESS: I have done so, and so far as I can see they are on the same footing.

By the Chairman:

Q. You have given the Committee the gross receipts, disbursements and net profits of all the Companies. Will you now state the same figures for the Companies individually?—A. It would be rather a complicated matter to put into figures to which you could listen. It would be much more satisfactory, Mr. Chairman, if I submitted to your Committee a statement of the facts in such form that your eye would rest upon them all at the same time.

Q. You can put those figures into a signed memorandum which can be attached to your evidence in the form of a schedule?—A. I have been comparing five years' business, and what I have said relates to those five years, whereas the figures I have here relate only to the year with individual companies, and do not give the comparison which you are asking for. I would have to turn back to other reports which I did not bring with me, and take out the figures relating to these individual Canadian companies. I have only the figures here for 1915, and that eliminates the basis of comparison, you see.

Q. Will you give the desired figures to the Committee?—A. Yes, I will send them to you at once.

Q. What were the net profits of the companies for the year 1915 as you have them?—A. The Dominion shows a loss of $226,075, whereas it had a sum of seven or eight hundred thousand dollars profit three years ago.

Q. That is the Dominion Express Company?—A. The Dominion Express Company.

Q. I would like to read to you part of the evidence of Mr. W. S. Stout, who is president of the Dominion Express Company—A. President and General Manager of the Dominion Express Company.

Q. At page 108 of the printed evidence I asked Mr. Stout this question. (Reads)

"Q. Is your Company interested in increasing the quantity (that is of fish) it handles?—A. Yes, but I would like to qualify that without it going into the record.

Q. Is it a desirable class of express matter?—A. In the year 1914 the Dominion Express Company lost, on its transportation operations, $136,571 that is to say that the earnings of the business did not pay the expense of doing the business by that sum. I wish I could call your attention to the fact that that was before the war started. For the year 1915 the Company had a loss of $365,259."

—A. Yes. Mr. Stout is there emphasizing the transportation end of it. These express companies do a large business as well in financial paper, running into hundreds of millions of dollars a year, on which they get a commission, and when the profits are taken off that loss it reduced the Dominion last year to $226,000. Then they had some further income which reduced their final loss to $158,000.

By Mr. Loggie:

Q. Is that in 1914?—A. No, 1915, Mr. Loggie.

Q. What is it for 1914?—A. I have not got the figures here. I talked this over with Mr. Stout with the greatest care. I talked with him frequently last year and also with the auditor of the Company, in relation to the figures for 1914.

By Mr. Stewart (Lunenburg):

Q. You say that making allowance for that they still have a loss of over $150,000?—A. $158,000. They start with a loss of $226,000 and finish with a loss.

Q. $365,259 is it?—A. I do not know where they get that figure from, it is certainly not in their report. Pardon me, it is in the transportation. Yes, it may have been so, I think it was. I have only got to say to the Committee in all sincerity that these figures absolutely startle me, and are inexplicable.

Q. Except for the explanation you have in your mind, which you do not care to express?—A. I have not got it in my mind. I don't know what has happened to these express companies to cause such a loss of business or profits to them.

By Mr. McKenzie:

Q. What about their volume of business?—A. Their volume of business, Mr. McKenzie, was not reduced very seriously. If we could show a large decrease in the volume of business we would have the explanation right at our hands, but you see the shrinkage in earnings was from twelve millions to eleven millions—the difference between $12,646,000 and $11,311,000—that was between 1914 and 1915. The difference in gross receipts in the previous year (1913) was simply the difference between $12,827,000 and $12,646,000 in 1914.

Mr. FOUND: Have you got there the amount of the loss incurred by the Dominion Express Co. and that of the Canadian Express Co.?

THE WITNESS: I have those.

Mr. FOUND: Let us take 1913. The rates were decreased that year. In 1913 what were the earnings of the Dominion Express Co.?

THE WITNESS: I have not the figures for 1913 here. I can just give you for 1915. So far as the Canadian Express Co. was concerned, the net operating revenue was $77,752 as against a loss of $226,000 for the Dominion Express Co.

Mr. FOUND: What I had in mind when you made the statement about losses a few minutes ago was, that in 1913 and previously, and subsequently also,—but I am speaking of that year—I think you will find that a very large percentage of the earnings of the Dominion Express Co. were made in the West. At that time business conditions were at their best. There was but one railway, which possibly was not able

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to handle all the freight that was offered, and a great deal consequently was sent by express, consequently a tremendous organization had to be built up by the express company. Now, there are three railways and three express companies operating in the West, and the Dominion Express Co. has no doubt a big organization and equipment on its hands, and necessarily a very much smaller business. But I cannot conceive how the Canadian Express Co. would be at all in the same category.

THE WITNESSS If that explanation covers the whole situation, then you would find a loss of gross revenue on the part of the Dominion Express Co. Now, there was no such loss. It was simply the increase of operating cost and the increase of express privileges which caused the reduction.

By Mr. Hughes (Kings, P.E.I.):

Q. You say the reduction in the net profits is inexplicable to you?—A. It is.

Q. It is quite apparent to me.—A. I hope you will give me the secret then.

Q. It is the increase in the operating expenses and the express privileges.—A. This is a first-class company, a very first-class company; and these express companies are all excellent companies. You would expect them to show as much shrewdness and care in their business as you would show in yours; and if you find conditions adverse you would begin at once to try and save. This is controllable expenditure I am speaking of; operating expenses are to a certain extent controllable. For example, last year the railways of the Dominion lost $43,000,000 of earnnigs, but they cut off nearly $43,000,000 of operating expenses.

Q. This is not a matter of what you would expect; it is what the figures show. They show a large increase in operating expenses.—A. Why?

Mr. HUGHES (Kings, P.E.I.): I do not know.

Mr. STEWART (Lunenburg): The mathematics is all right.

By the Chairman:

Q. Can you state to the Committee who are the directors of the Dominion Express Co.?—A. Yes, President and general manager, Walter S. Stout; vice-president, R. Paton McLeod; directors, W. S. Stout, R. Paton McLeod, Sir Thomas Shaughnessy, C. R. Hosmer, and R. B. Angus.

Q. These gentlemen are in close association with the directorate of the Canadian Pacific Company?—A. There is no question that the Dominion Express Company is absolutely a subsidiary company to the Canadian Pacific Railway.

Q. Is the stock of the Dominion Express Company owned by the Canadian Pacific Railway?—A. The stock of the Dominion Express Company is put down at $2,000,000, but there was never any money passed in the matter.

Q. Do you know from the reports of the railway which you have, if earnings are credited to the Canadian Pacific Railway?—A. Absolutely.

Q. From the Dominion Express?—A. Not this year.

Q. But hitherto?—A. Ten per cent, and the balance went to the Canadian Pacific too.

Q. If there were an object at all in covering up earnings, it would merely be that the express company might not be showing it in the way of dividends; but at the same time the Canadian Pacific Railway Company would be making it in the way of charges against the express company for operating expenses or express privileges?—A. I think I ought to say this: it would be entirely unfair on my part, as a mere officer receiving these returns, to make any suggestion of impropriety or concealment. I am simply saying it is absolutely inexplicable to me, unless you ask me to explain it.

Q. I am not asking you that. If a certain amount of money is received and disbursed, a large portion of it in expenses and another portion in express privileges, does not the Canadian Pacific Railway receive as much benefit as if a certain portion were paid to them in dividends? Does the Canadian Pacific Railway Company get

the same advantage as if the money were paid earmarked as dividends?—A. I think so. You cannot fancy the domestic relationship between the Dominion Express Company and the Canadian Pacific Railway to be any less intimate than it really is. It is an absolute family affair. There was no money consideration for the stock of $2,000,000. The explanation made by the company to me is that this money, in so far as there was any money, was used in the financing of the company, the financial operations of the company. It was not used for buying anything; it did not pay for any express property. All the express property and the equipment of the Dominion Express Company and the other express companies too, were bought out of earnings.

Q. The same thing applies to the other companies?—A. Absolutely, except in the case of the Canadian Express Co. The Canadian is a little bit different. The Canadian Express Co. existed in a sort of separate state for some years, and then it was bought by the Grand Trunk for a certain bookkeeping consideration at all events. That does not apply to the others. There is no pretence whatever that they ever needed any capital for their business.

By Mr. Loggie:

Q. What is the nominal capital of the Canadian Express Co.?—A. $1,742,200.

Q. If I recall correctly, there was quite an agitation a few years ago that the express companies were making exceptionally large profits for the capital invested. I think the capital was afterwards increased?—A. No, sir. There has not been any increase of capital. The net earnings were decreased.

By Mr. McKenzie:

Q. Are the charges of the express companies uniform in the last few years?—A. No, the charges were slightly reduced by the Railway Commission two years ago. They came into effect in part in 1914, and fully into effect in 1915. Their statement to me as to the effect of these reductions is that they amounted to about five per cent of their gross earnings.

By Mr. Loggie:

Q. That would be $500,000 or $600,000 every year?—A. If these reductions had not been applied the earnings would have been so much larger.

By Mr. McKenzie:

Q. Was there any reason why the C.P.R. and the Canadian Northern Railway could not have taken this business as railways without using these subsidiary companies?—A. Oh, I think it could have been done. I think that they adopted a much more convenient plan by working as a separate organization. If there is a distinction between their general railway business and the express business I see nothing whatever wrong or suggesting criticism in that.

Q. Because the charge for carrying anything by express is so very much greater than it is for carrying the same article in the ordinary way by railway, subject to the ordinary railway rate?—A. Of course, that is the toll which you are supposed to pay for expedition; you get your express matter carried by passenger train as against the slower moving freight train.

Q. But is there any reason why the railway company could not carry on that business, have they not the outfit necessary to do so, and could they not move it with equal expedition, at less expense, by saving the cost of the separate machinery of the express company connected with it?—A. As to that I could not say; I do not know what it would cost; nobody has ever tried the experiment, but I should think it would cost more, that is my impression, to move express matter rapidly, as apart from freight matter, and to do it in connection with the ordinary freight business would, I think, cost more than under the present system of having an express car

operated on a passenger train. At the same time I think there is room for the development of a fast freight service which would be in the nature of, or approaching, an express service as at present conducted.

Q. You do not quite appreciate my question. I am not asking, or suggesting, that this business now being done as an express business should be done as a fast freight, but what I meant was that the express company has now an identity of its own, it is a separate concern having the privilege of operating upon the railway which is supposed to be a separate company. Why could not the parent company, the railway company, carry on this business on its own railway that is now being done by the express company, thus dispensing with the extra machinery and the further expense that is now involved in connection with the express company as a separate organization?—A. I have never given very much thought to that question, but there is no obstacle that I can think of in the way.

Q. Is not this separate express company simply another device by which more money is really taken out of the people? Because there is another company operating the express business in connection with the railway it necessitates higher rates for transportation.—A. I would not like to suggest that; I would rather assume that as the company is operating over other lines besides its own, that this separate organization is more or less necessary. If it were operating entirely on its own line then a great deal of this machinery would be entirely unnecessary. But it operates over a great many other lines, steamship lines, stage coach lines, etc.

Q. But the different railways have a working arrangement between themselves in regard to freight and the division of profits on carrying it, why would not the same agreement be equally effective in regard to express business?—A. I think there is no difficulty about that; I do not think it is absolutely necessary to have separate express companies, but I think on the whole it may cost more for the convenience.

By Mr. Copp:

Q. Would there not be extra expense incurred by the railway company in operating the cars?—A. I think whatever expense is incurred now would to some extent have to be incurred by the railway company if it took over the express business. In that case the railway company would require an express messenger on the train and an express agent in the different communities in which it operated, as the express companies now have. The only thing you would save would be the overhead expenses, perhaps, a small proportion of it, the head office expenses.

By Mr. Loggie:

Q. Having in view the increase in the operating expenses that you have mentioned down to 1915, on the Intercolonial railway, for example, a few years ago, in fact up to within two or three years, I think there was only one messenger on the train, the Canadian Express Company's messenger, but now that the Dominion Express Company have the right to send parcels over that road, do they not also require to have a messenger there as well?—A. That is something I do not know anything about; I do not know anything about the details of the express work over the different roads; I just get the figures relating to their business.

Q. You do not know anything about that part of it?—A. I do not know anything about the mechanical part of the business.

Q. The point I was questioning you upon is, that the expenses along the Intercolonial railway for express business have been duplicated because there are two express companies now operating over that road instead of one, which would increase the ordinary cost of operation as against the revenue, because the revenue with two companies operating is, I presume, practically the same as if only one were operating there?—A. The express business arising on the Intercolonial railway is not large enough on the whole to seriously affect these larger figures; of the total earnings it would not, I think, amount to more than 10 per cent.

Q. But the expense of duplicating the help over the whole of the Intercolonial Railway line would have an effect upon the net profits of the express companies, would it not?—A. If your assumption is also correct that there is no more business with the two companies operating than there would be with one, just exactly to that extent it would increase the operating expenses.

By Mr. McKenzie:

Q. Why I asked you that question was, we have constantly coming to our notice instances of companies or corporations doing business on parallel lines, doing business under different names, losing money along some lines, and making money along the other phase of the same business. For instance we find Mackenzie and Mann making vast amounts of money in building railways for themselves; in building those railways they make immense profits, but in running those same railways which they built for themselves, they say they lose money so that, taking it altogether, it does not make very much difference to Mackenzie and Mann whether they get it one way or the other, they get it anyway. I thought it might be the same in respect to these express companies and the railways.—A. As a public officer I must give evidence on the material that is before me. I may have my private suspicions about somethings but that is altogether different; I have to deal with the facts as they appear before me.

The CHAIRMAN: In consideration of the war taxes which are now being imposed upon the railway companies, it may be that they will make subsidiary companies show earnings of 7 per cent in order that they may be relieved to a certain extent of the extra tax; that is the only satisfactory phase of this part of the question. Now in regard to the federal assistance to transportation companies in the way of bonuses, have you any information? I will put the question in this way.

Q. What assistance has been granted by the Federal Government, first, to the Canadian Pacific Railway Company in the form of money grant, moneys' worth and land? —A. I shall have to ask you to let me fyle a statement, because it is a little more complicated than it seems to you, I think. The Canadian Pacific and its many subsidiary companies, have inherited the grants, the subsidies, of companies of which they bought the charter rights, and so the whole statement will have to be made up for you. In all the years I have been working on this I never had that question asked me about the Canadian Pacific, but I have shivered, because it is the most difficult problem I have to deal with, to answer definitely how much aid the Canadian Pacific got from the Dominion Government.

Q. I think the people of this country are the ones to shiver. Still, we want the answer if you can give it to us.—A. I will fyle with you, if you will allow me, Mr. Chairman, as short a statement as I can possibly give you which will answer the question.

Q. Give also the same statement with regard to the Canadian Northern Company. —A. In the case of the Canadian Northern you come in contact with this large guarantee problem. Don't you want the guarantee?

Q. Give us the guarantee for the Canadian Northern and the guarantee also in regard to the Canadian Pacific.—A. I do not think they got any.

Q. Yes, there is one.—A. (after consulting record) Yes, I see there is. £3,093,700 at least. The bonds included within this guarantee were, however, paid in full by the Canadian Pacific Railway, and the Government of Canada assumed full liability therefor.

By Mr Stewart (Lunenburg):

Q. In your statement you mention "Only as a guarantee."—A. Yes, I will keep them entirely separate, so that when I fyle statements they will go right into the proceedings in their proper place.

Mr. MCKENZIE: Make it clear what this statement is to be about. You mean, I suppose, to give a statement of the aid to the main line of the C.P.R. as separate from whatever might have been given to the branch lines.

The CHAIRMAN: I think I might as well, in order to get all the information available for the Committee, ask Mr. Payne to prepare a statement showing the aid given as well to the branch lines as to the main line. In other words, to have the assistance which has been rendered to the entire system, exhibited. Can you do that?

The WITNESS: Yes, but you cannot separate them. In many cases the aid was given we will say to Company "A" an entirely separate organization, but before a dollar of that paid was paid over, all the rights of that company were acquired by the Canadian Pacific and the latter company received all the money, although it stands in the public acounts as being paid to Company "A." We have that information all separated though.

The CHAIRMAN: Very well, then, you will furnish all that.

By Mr. McKenzie:

Q. Speaking only for myself, I think the information would be more useful if it shows what aid went to the main line direct in the first instance, and then what went to the branch companies.—A. I will make it separate. I will not join them. I will show you the statements in regard to the parent company and the subsidiary companies separately. I understand you, Mr. McKenzie, and I think that is only a fair way of putting the statement.

By the Chairman:

Q. Can you give the Committee some information with regard to the number of express cars on the different roads in Canada?—A. I cannot, Mr. Chairman, we have not in our system separated express cars from other cars. The express car is very frequently a composite car, as you know; it would be difficult to do it. We have just combination cars called mail, express and baggage cars altogether.

Q. Do you know how many refrigerator cars the different railway companies have?—A. Yes, the total number of refrigerator cars in the Dominion in 1915 was 4,713. Of these 191 were attached to the Intercolonial, 1,804 to the Canadian Pacific and 1,995 to the Grand Trunk.

Q. That is for the year 1915. Is that the last report you have?—A. That is the very last. The report is not yet published but I am giving you advance figures.

Q. Have you ever considered the question of the nationalization of the express companies?—A. I have in connection with the question of state ownership of public utilities.

Q. Would it be feasible to take over and operate the express company separate from the railway companies?—A. I see no inherent difficulty in the way.

Q. I suppose you are not in a position to state what the actual value of them would be, in view of the fact that they are not now earning anything? Speaking of express companies, I suppose the value would be very low?—A. Oh, I think Mr. Chairman, that they are earning a good deal.

Q. But they do not show it in the way of profits?—A. They do not show it in the way of profits. The owning railway company now receives a very large consideration. I think we ought to be perfectly frank amongst ourselves about these express privileges. They constitute to a large extent, as far as the owning railway is concerned, an almost absolute agreement.

By Mr. Loggie:

Q. An absolute agreement?—A. An absolute agreement.

Q. And they are very nearly one-half of the total earnings?—A. A little more than one-half. Some payment, Mr. Loggie, is made to other carriers, but insofar as the railway company receives from its own express company payment for express privileges, that is to a very considerable extent clear profit.

By the Chairman:

Q. Will you state to the Committee what amount was paid to the different railway companies in the year 1915 for express privileges?—(Consulting documents) I do not think I have it here.

Mr. LOGGIE: Do you mean percentage?

The CHAIRMAN: I desire the actual amount, the amount in dollars.

Mr. LOGGIE: I thought the percentage would be more valuable.

The CHAIRMAN: We have already had that. I want to get the amount in dollars.

Mr. MCKENZIE: I would rather have the dollars.

The WITNESS: I will give you the dollars.

By Mr. Stewart (Lunenburg):

Q. You have already given us the percentage so far as the Dominion Express Company is concerned.—A. That was for all of the express companies. Now the express privilege account for 1915 was distributed as follows—do you want me to give American companies as well as Canadian?

By the Chairman:

Q. I want the statement of the amount paid Canadian railways during 1915 for express privileges?—A. The Canadian Express Company paid $1,554,427.61; The Canadian Northern Express Company paid $368,180.03; The Dominion Express Company paid $3,234,715.64.

Q. What is the total of that amount?—A. That total I would have to add up, because the final total, Mr. Chairman, is a total created by three or four American companies operating in Canada.

Q. State the full total?—A. The American Express Company paid $390,824.62; and the Great Northern (the Hill roads) paid $48,087.72; and the Wells, Fargo Company, operating in the Yukon, paid $8,107.29; and I should have added, in my original statement, the British America, a little Canadian company operating over the Algoma Central Railway, which paid $5,881.30. These give a total of $5,610,224.11.

Q. That amount was paid for express privileges on business in Canada during 1915?—A. Yes.

Q. Are you prepared to say what percentage that is of the gross revenue?—A. Yes, that percentage is 49·6 per cent in 1915, express privileges, of gross earnings.

By Mr. Stewart (Lunenburg):

Q. You said 45·9 per cent before.—A. That happened to be for another year, 1911.

By Mr. Loggie:

Q. How does it happen that the Dominion railways received a greater percentage during 1915 of earnings than in other years?—A. On account of express privileges?

Q. Yes.—A. I have no idea, sir.

Q. It seems to be a matter between the railways and express companies?—A. absolutely an arbitrary amount they fixed between themselves

Q. That is the reason we have the decrease in net earnings?—A. Undoubtedly.

By the Chairman:

Q. The amount paid for express privileges in Canada during 1915, and which has been described as so much "velvet" to the railway company—A. Not absolutely "velvet;" a very large percentage of "velvet"——

Q. ——amounting to $5,610,244.11, was equal to 5 per cent, on over $110,000,000 of securities, let us say, for the sake of bringing it down to an investment value. Is there anything to justify the payment of so large an amount, in your judgment, for these privileges?—A. Mr. Chairman, I think frankly I ought not to express an opinion.

Mr. J. L. PAYNE.

Q. We will conclude what your opinion is from your reticence. To go back to the nationalization of the express business, do you think if the express companies were operated by the state——

Mr. STEWART (Lunenburg): Mr. Chairman, before you put that question, would you let me interrupt?

The CHAIRMAN: Certainly.

Mr. STEWART: Would it be well to show that that increase in percentage has grown from 45·9 per cent in 1911 to 49·6 per cent in 1915?

The CHAIRMAN: Yes.

The WITNESS: That statement is going into the record.

Mr. STEWART (Lunenburg): I thought it would be well to have it inserted right here.

By the Chairman:

Q. And at the same time the amount paid in dividends has decreased to what per cent in 1915?—A. The available net earnings have decreased from 12·2 per cent in 1911 to 0·6 per cent in 1915.

By Mr. Stewart (Lunenburg):

Q. That is six-tenths of one per cent?—A. Yes. There was practically nothing available for dividend purposes, but that was due to the large deficit of the Dominion Express Co. almost wholly, because the other companies had quite a balance. The Canadian Express Co. had $77,000 and the Canadian Northern Express Co. had $175,000 to the good; but the Dominion Express Co. had $226,000 to the bad.

Mr. FOUND: The statement you are putting in shows the earnings separately?

The WITNESS: I will put them in that way.

By Mr. Loggie:

Q. What is the difference between the percentages for express privileges in 1911 and 1915?—A. That is about 4 per cent, which would make a difference of——

Q. $500,000 or $600,000?—A. I think we have it here in absolute dollars (consults statement). It amounted in 1911 in actual dollars to $4,553,000, and in 1913 it has risen to $6,324,000, in round numbers.

Q. That would not work out what I meant. I would like the 4 per cent applied to the earnings if they were the same. I want to know what the difference would be because of the greater proportion given to the railways. It will come to about $500,000. —A. Between four and five hundred thousand dollars.

Q. That accounts somewhat for the short net earnings in 1915?—A. Yes

Mr. LOGGIE: That is what I want to bring out.

By Mr. McKenzie:

Q. What is covered by the term "operating expenses" so far as the express companies are concerned?—A. Every possible cost of operation; everything to do with the administration of the business of an express company in every way, except the one item of the hauling of the express cars, and the handling of express matter by certain carriers.

Q. The use of the cars is covered by this privilege that you spoke of?—A. This express privilege absolutely.

By the Chairman:

Q. To come back to the question of the nationalization of express companies: if the Government of Canada were operating that service, in your judgment would the cost of operation—I mean separate from express privilege—be increased?—A. If the Government were operating the express business?

Q. Yes?—A. All that, you see, insofar as the business is going over public lines, would be eliminated and the difference would go to the credit of net earnings.

Q. On public lines the service is already provided for, and the cost thereof is charged up under the head of "operating expenses?"—A. Yes.

Q. Consequently if there is any difference at all it would be in the nature of a saving?—A. It would be a matter entirely of experiment, but, if you can assume that the Government taking over a public utility of this character, could also exercise the right of fixing the allowance to another carrier, you might very, very materially affect your net earnings.

By Mr. Stewart (Lunenburg):

Q. Did you have in your mind express privileges and not operating expenses?—A. No.

By the Chairman:

Q. Perhaps I did not make myself clear. The express company knows exactly the cost of its operating expenses which includes the entire cost of the staff, etc.?—A. Absolutely.

Q. I presume that the same staff would be able to carry on the same business if the Government of Canada were to intervene and say: "We will carry on this service ourselves." Would the cost of the service in that case necessarily be increased?—A. I think the cost would be reduced. Here is a case where you have a duplication in operating cost; you have the Dominion Express and the Canadian Express with separate cars and separate staffs. If the Government were operating that service it would, I presume, consolidate these two and the saving in the cost of the operating expenses would be almost the difference between the present cost and the cost of the improved service after the elimination of one car and one staff.

By Mr. Stewart (Lunenburg):

Q. Would you not have to increase your staff along the line? The C.P.R., for instance, now have their own agents to act at local points?—A. Yes.

Q. And if the Dominion railways were operating their own service they would require to have agents also?—A. They might have to allow them a commission for the service.

By Mr. Loggie:

Q. I think you will find that the C.P.R. allow the express agents to do that for them on commission?—A. That is a detail I am not supposed to know much about, but I believe it to be the case; I know, as a matter of private knowledge, that it is the case.

By the Chairman:

Q. Now, you will furnish the Committee with that information with regard to financial and other assistance in the way of land grants rendered to the different transportation companies as soon as you can?—A. You asked me for that information simply with regard to the C.P.R. and the Canadian Northern. If you want the same information with regard to all the railways I can give it.

Q. I should like you to include them all?—A. If it is in detail it will be a very comprehensive statement.

Q. I wish also to have the cost of the Intercolonial railway?—A. I can give you that at once up to the 31st of March last.

The CHAIRMAN: I would like to have it in the statement with the other railways.

Mr. LOGGIE: I think it would be important to have the Intercolonial so that we can compare the Dominion and Canadian Express Companies business on our own lines from the other roads.

WITNESS: I can do that. The Chairman asked me to give the aid to the different railways including the Intercolonial. In the case of the Intercolonial I presume that means the cost, because there has been no aid other than the actual cost.

APPENDIX No. 3

By the Chairman:

Q. The express companies are contending that they are losing money; that their dividends have reached the vanishing point. It might be that the men behind these express companies would like the Government of this country to relieve them of the express business. In view of the assistance which their railways have already received in the way of subsidies, land grants and guarantees, they might yield what is known as the "express privileges" over their line hereafter. If that were done the people of Canada would, at this late date, be getting something in return for what they have put into the construction of these different railways.—A. The cost of Intercolonial Railway Construction to the 31st of March was $109,221,080; to that should be added, perhaps the cost of the Prince Edward Island Railway, $9,496,567.

Q. Do you know enough about the Intercolonial Railway in its present state to say whether it would be practicable to establish an express in connection with that road?—A. I should say that the situation was ideal on the Intercolonial.

Q. Could it be done without much increase in expenditure?—A. I think it could; I can say that, after having considered the thing very carefully, and having drawn up some memoranda about it for the Minister, that the machinery is all there; the equipment of the express companies is very unimportant.

By Mr. Loggie:

Q. You would require express waggons, etc.?—A. The total equipment of the express companies in Canada is a mere bagatelle.

By the Chairman:

Q. The railway companies have the cars?—A. They have the cars.

Q. What additional equipment would be required?—A. A few trucks, a few waggons and a few local offices here and there.

Q. Would it be necessary to make any material increase in the staff?—A. I do not think so.

Q. You say that you have prepared memoranda on that subject?—A. I have worked out confidential figures for the Minister but that data is at least two years old and I would much prefer to re-work it. But I think the Minister would rather wish that I did not make public a matter that is at present under advisement by him.

Q. I understand, Mr. Payne, that you have had some experience in bringing fish to Ottawa?—A. I have, Mr. Chairman, I have become quite a fish operator in the last few years.

Q. Will you state to the Committee, in order to get it on the record, your experience in that respect?—A. It is a very simple short story. Beginning some seven or eight years ago a few of us combined to bring up to Ottawa in the early part of the winter finnan haddie for our own use. The total quantity brought up in the first year that I had any connection with the movement was about 15 boxes weighing 30 pounds a box. It continued on that basis for a few years, and then it occurred to me we were getting a value that we ought not to be selfish about, and so three years ago I allowed the knowledge of our good thing to get about a little, and we brought up 100 boxes of 30 pounds each. Last year, and when I speak of last year I mean 1914, the advertising given to this little co-operative enterprise was sufficient to have us bring up 465 boxes of 30 pounds each; and the satisfaction was so great and the spirit of co-operation so active that in 1915 we brought 900 boxes of 30 pounds each, or 27,000 pounds of finnan haddie.

By Mr. Stewart (Lunenburg):

Q. Was this a loose organization?—A. The loosest that you can fancy, Dr. Stewart.

Q. It had nothing to do with the Co-operative Civil Service Stores?—A. Nothing whatever. If you can believe in any headship about it, all the headship there was is

right before you at this moment. It was the loosest kind of co-operation; it was simply the passing round of a list of friends in the different departments.

Q. All in the Civil Service?—A. All in the Civil Service. I think there may have been a few boxes, possibly 20 or 30, that friends of Civil Servants got. Otherwise it was among ourselves, just a purely family affair.

By the Chairman:

Q. What was the cost of this fish when delivered here? Can you give it for the different years?—A. I can. We always paid 6 cents a pound for the finnan haddie at either Digby or Canso, and the cost in 1914 of bringing up the 30 pound box delivered at your door was $2.16, which you see would be something like seven and one-sixth of a cent per pound. In 1915, although the delivery actually took place in 1916, we paid 6 cents a pound at Canso and we brought the fish to Ottawa in a refrigerator car.

By Mr. Stewart (Lunenburg):

Q. You are still speaking of finnan haddie?—A. Yes, we delivered each box at each man's door for $2.10, which, you see, is exactly seven cents a pound. In other words, the total cost of distribution, including the carriage and all charges, was covered by one cent per pound.

Q. Suppose you had gone into a retail store in Ottawa and bought the same kind of fish, what would it have cost you delivered at your door?—A. I can speak very positively about that, Dr. Stewart; it certainly would not have cost us less than 15 cents per pound. I mean buying it by the pound at the ordinary grocery store and insisting upon having No. 1 fresh finnan haddie, buying by the single fish.

Q. Now, suppose you had gone into a wholesale store here, if there are any, and ordered the same quantity for yourself that you had delivered at your door, one box of 30 pounds, have you any idea what it would have cost you?—A. Dr. Stewart, I can only guess. I did not try the experiment, but having some knowledge of wholesale conditions and the cost of distribution through two or three hands before it reached the local dealer, I should say it could not have been got at less than 10 cents a pound.

Q. That is a saving of three cents a pound in the handling and transportation charges?—A. You cannot tell me of any other concern in Ottawa that has ever brought in so large a shipment of finnan haddie.

Q. You did not get it franked up?—A. No. On the contrary it was an absolute business transaction, with the elimination of every trace of a middleman. There was no middlemen and there was no profit to anybody. I handled it all, paid for the fish when they came here and collected the money from the different people afterwards.

Q. You had what would be called a middleman, on the Coast? You did not buy directly from the man who put the hook into the fish?—A. Oh, no, we bought it from the man who produced the finnan haddie.

The CLERK (Mr. Howe): Would Moise Lapointe have got that fish at Canso for six cents a pound He is a wholesale fish dealer.

The WITNESS: I think so, but Mr. Moise Lapointe never, in his lifetime, I take it, brought a carload of 27,000 pounds of finnan haddie to Ottawa. There is not the local market for it here. I want, Mr. Chairman, to make the explanation here, lest it should be thought that our little co-operative effort was in any way an interference with the ordinary legitimate retail business of Ottawa, I think it was not. I think it can be stated that 90 per cent of this consumption of finnan haddie was entirely over and above what would have been consumed if it had not been for this effort. You know that finnan haddie is not marketed very attractively in the ordinary way. Here, for example, is a box at the grocer's door. If you happen to come along and be the first person to get at the freshly opened box, you get the pick. If not you have to take in proportion as you want two, three, four, five, six or seven fish, from what is left. It stands all day in the open air accumulating dust and other undesirable interferences with its quality. Then it is carried in at night and thaws out in the open store. The

next morning it is put out again and freezes once more. If that process goes on for three or four days, I take it there is a serious interference with the quality of that finnan haddie. Mr. Loggie can tell you from his observations in Ottawa that probably 75 per cent of all the finnan haddie sold here is No. 2. That is my estimate of it, and I think his percentage will probably be higher than that. Now, No. 2 haddie is a smaller fish and does not have the qualities of the fat, full, rich, freshly-cured finnan haddie. I want to say without any reference whatever to the source I purchased from, because I know nothing about other qualities, that this finnan haddie was a distinct luxury. (To Mr. Found) Did you get any of it?

Mr. FOUND: I have heard of it at different times.

The WITNESS: It certainly gave everybody the greatest satisfaction.

Mr. FOUND: I did not hear a complaint from anybody.

The WITNESS: It was certainly delicious finnan haddie.

By the Chairman:

Q. Then the transaction was successful in every way?—A. Successful in every way, and next year, if you will give me somebody to help me for one week, I will undertake to bring to the city of Ottawa without the least difficulty, and sell three carloads of finnan haddie. I will bring 2,700 boxes of 30 pounds each and have no difficulty whatever in disposing of it on the reputation of our little enterprise.

Q. The express companies charge a certain rate from the sea coast to inland points in Canada for less than carload lots of fish, and they charge precisely the same rate for carload lots of fish. In your judgment is there any reason why they should get a special carload rate?—A. None whatever. I did not know that was the fact.

Mr. STEWART (Lunenburg): The express companies have an explanation for that. It is only fair to Mr. Payne to give him their explanation.

The CHAIRMAN: Very well, please state it to him yourself.

Mr. STEWART (Lunenburg): They contend that the figures they give for less than carload lots are really carload figures.

The CHAIRMAN: They say they are giving on less than carload lots a rate much less than on ordinary commodities, but they will ship 100 pounds of fish to the interior markets at exactly the same rates they will ship a whole carload to the same point.

Mr. LOGGIE: Pardon me a moment. Does that apply to a carload to one consignee, or a carload made up to several consignees?

The CHAIRMAN: One consignee.

The WITNESS: I only know this, that the Canadian Express manager in Ottawa came to me to discuss whether or not his company might not handle our finnan haddie by express, but when he learned what it had cost us, and that the shipment was delivered from Canso to Ottawa in six days this last time, he said he thought his express company would not put forward any rates that would induce us to take up the express side of it.

By Mr. Chisholm (Inverness)

Q. That was your last shipment?—A. Yes, last December.

Q. Did you have any difficulty in conection with the other shipments?—A. They were slower. This time we were a little late, and the shippers, the Maritime Fish Corporation, made special efforts to have the sympathetic interest of the railways, the Intercolonial and the Grand Trunk, in getting this shipment through quickly, and it was certainly here in Ottawa six days after it had left Mulgrave.

Q. That was a very satisfactory result?—A. Very; I did not believe it possible.

By the Chairman:

Q. Are you sufficiently familiar with express tariffs to say whether or not they should differentiate between carload and less than carload shipments?—A. I will be quite frank. I do not consider myself an expert on express tariffs; it is not a part of my duty to study them; and it is only as a private citizen that I have made any investigation of them. I think I should only speak in that capacity.

Witness retired.

At the request of the Committee, the following statements were prepared by Mr. Payne, and handed in subsequently.

MEMORANDUM, DEPARTMENT OF RAILWAYS AND CANALS.

STATISTICAL BRANCH.

DOMINION EXPRESS COMPANY.

Year.	Operating Expenses.	Express Privileges.	Total.
	Per cent.	Per cent.	Per cent.
1911	41·7	45·7	87·4
1912	44·1	44·0	88·1
1913	46·2	45·8	92·0
1914	49·4	47·3	96·7
1915	50·0	49·7	99·7

MEMORANDUM, DEPARTMENT OF RAILWAYS AND CANALS.

STATISTICAL BRANCH.

EARNINGS OF CANADIAN EXPRESS COMPANIES.

Year.	Gross Receipts from Operation.	Express Privileges. Dr.	Operating Expenses.	Net Operating Revenues.
	$	$	$	$
1911	8,810,316	4,022,908	3,672,510	1,114,898
1912	9,908,880	4,364,573	4,372,460	1,171,847
1913	11,813,170	5,204,951	5,261,461	1,346,758
1914	11,693,428	5,538,726	5,775,187	379,515
1915	10,396,197	5,163,205	5,199,611	33,381

APPENDIX No. 3

MEMORANDUM, DEPARTMENT OF RAILWAYS AND CANALS.

STATISTICAL BRANCH.

DOMINION EXPRESS COMPANY.

Year.	Gross Receipts from Operation.	Express Privileges. Dr.	Operating Expenses.	Net Operating Revenue.
	$	$	$	$
1911	5,556,338	2,523,232	2,358,869	674,237
1912	6,084,052	2,674,862	2,748,276	660,914
1913	7,419,872	3,313,088	3,320,784	786,000
1914	7,256,955	3,491,775	3,708,715	56,465
1915	6,220,542	3,234,716	3,211,901	—226,075

MEMORANDUM, DEPARTMENT OF RAILWAYS AND CANALS.

STATISTICAL BRANCH.

CANADIAN EXPRESS COMPANY.

Year.	Gross Receipts from Operation.	Express Privileges. Dr.	Operating Expenses.	Net Operating Revenue.
	$	$	$	$
1911	2,689,698	1,281,557	1,111,116	297,025
1912	3,046,186	1,386,874	1,347,773	311,539
1913	3,433,602	1,518,292	1,574,352	340,958
1914	3,450,246	1,666,473	1,661,834	121,939
1915	3,208,222	1,554,428	1,576,043	77,751

MEMORANDUM, DEPARTMENT OF RAILWAYS AND CANALS.

STATISTICAL BRANCH.

CANADIAN NORTHERN EXPRESS COMPANY.

Year.	Gross Receipts from Operation.	Express Privileges. Dr.	Operating Expenses.	Net Operating Revenue.
	$	$	$	$
1911	564,280	218,119	202,525	143,636
1912	778,642	302,837	276,411	199,394
1913	957,276	372,603	365,834	218,839
1914	971,948	374,704	402,993	194,251
1915	952,724	368,180	409,292	175,252

MEMORANDUM, DEPARTMENT OF RAILWAYS AND CANALS.

STATISTICAL BRANCH.

BRITISH AMERICA EXPRESS COMPANY.

Year.	Gross Receipts from Operation.	Express Privileges. Dr.	Operating Expenses.	Net Operating Revenue.
	$	$	$	$
1913	2,420	968	491	961
1914	14,279	5,774	1,645	6,860
1915	14,709	5,881	2,375	6,453

APPENDIX No. 3

CANADIAN PACIFIC RAILWAYS.

Subsidies and Loans:—

Dominion—Original line	$ 40,478,864
" Subsidiary lines	13,129,873
Provinces—Original line	412,878
" Subsidiary lines	12,016,257
Municipalities—Original line	464,761
" Subsidiary lines	4,632,422
Total	$ 71,135,055
Constructed lines and surveys handed over by Government	$ 37,785,320

Land Grants:—

By the Dominion	21,634,190 acres
By British Columbia	6,388,998 "

Bonds to the amount of £3,093,700 were guaranteed by the Dominion Government; but the principal was paid by the C.P.R. and the obligation extinguished in that way. In other words, the aid given at the time has ceased to be an obligation so far as the railway is concerned.

AID TO THE CANADIAN NORTHERN RAILWAY SYSTEM.

Cash:—

Dominion	$ 30,747,325
Provinces	6,821,724
Municipalities	765,704
	$ 38,334,753

Guarantees:—

Dominion	$104,787,510
Provinces	130,200,830
	$234,988,340

Land:—

Dominion	4,102,828 acres

INTERCOLONIAL RAILWAY CAPITAL COST TO MARCH 31, 1915.

Intercolonial Railway	$109,221,080

TRANSCONTINENTAL RAILWAY CAPITAL COST TO MARCH 31, 1915.

Transcontinental Railway	$152,802,746

Witness discharged.

Committee adjourned.

Mr. J. L. PAYNE.

HOUSE OF COMMONS,
ROOM No. 301,
TUESDAY, March 28, 1916.

The Committee met at 11 o'clock a.m., the Chairman, Mr. Jameson, presiding.

The CHAIRMAN: At our last meeting it was decided to summon as witnesses, Mr. Smart, Master Carbuilder for the Intercolonial Railway, and Mr. Archibald, Superintendent of the Dining Car Service of the same system. However, Mr. Gutelius, the General Manager, wrote me on the 23rd and 24th inst. in regard to these gentlemen, saying that owing to the movement of troops that was going on they were both so busy it would be impossible to spare either of them until about 4th April, and he wanted to know if the taking of their evidence could be postponed until that date. In view of the important nature of the service in which Messrs. Smart and Archibald are engaged, I felt the Committee would not insist upon their attendance today, and I replied that the Committee would advise them later as to whether their attendance would be required on the 4th April, when Mr. Gutelius thought they would be available.

Mr. Stout, Manager of the Dominion Express Co., has written to the clerk of the Committee, furnishing him with certain information in regard to one point which was left untouched in his evidence. I think the letter of the clerk of the Committee, as well as Mr. Stout's reply, might go into the evidence as a memorandum supplementing Mr. Stout's evidence.

Mr. Hayes, Traffic Manager, Intercolonial Railway, has also furnished some information which he transmits to the Committee in the form of a letter, supplementing his evidence, and Mr. Macdonell, Assistant Freight Traffic Manager of the Canadian Pacific Railway, has done likewise enclosing some documents. I think it would be well to have both these communications and documents printed in the evidence.

The clerk, at my request, telegraphed to the Lockeport, N.S., Cold Storage Company, the Maritime Fish Corporation, Canso, N.S., and Mr. H. B. Short, of Digby, N.S., asking them to state the average cost of ice, package, and labour in the shipping of fresh fish to the Canadian markets, and also the relative weight of ice and package as compared with fish in each case. Replies have been received which should also, I think, be printed.

March 20, 1916.
Room 301.

W. S. STOUT, Esq.,
President, Dominion Express Co.,
Toronto, Ont.

DEAR SIR,—Having reference to your evidence given before the Marine and Fisheries Committee a few days ago, I am requested by the chairman of the committee to ask you, upon what commodities your company gives carload lot rates on transportation from Nova Scotia to points such as Montreal, Toronto, etc. In this connection will you be good enough to give l.c.l. and carload-lot rates.

I shall be glad to have this information as early as convenient.

Yours faithfully,

THOS. S. HOWE,
Secretary of Committee.

DOMINION EXPRESS COMPANY,
OFFICE OF THE PRESIDENT AND GENERAL MANAGER,
TORONTO, CANADA, March 25, 1916.

Mr. THOS. S. HOWE,
Secretary of Committee,
House of Commons, Room 301,
Ottawa, Can.

DEAR SIR,—In reply to your letter of March 20 I beg to say that on examination our records show but one carload rate between points in Nova Scotia and points in Quebec and Ontario. That is a rate on lobsters of $1.50 per 100 pounds net weight, minimum 20,000 pounds to the car, Mulgrave to Montreal. The less-than-carload rate between the same points is $1.75 per 100 pounds net weight.

These rates were in effect by the Canadian Express at the time this company extended its service over the Government railways. We have no advice and our belief is that no shipments have ever moved under this carload rate by this company.

Yours truly,

W. S. STOUT,
President and General Manager.

CANADIAN GOVERNMENT RAILWAYS,
MONCTON, N.B., March 23, 1916.

(At Ottawa.)

THOS. S. HOWE, Esq.,
Clerk of Committee, Marine and Fisheries,
Ottawa, Ont.

DEAR SIR,—When appearing before the Select Standing Committee of the House of Commons of Canada on Marine and Fisheries, on the 9th inst., I was requested to obtain and forward to you, information as to rates on fresh fish from Mulgrave to Boston, by freight, also by express.

By freight, rates are as follows:—

"All Rail" via St. John—
Carloads, 40 cents per 100 pounds.
L.C.L., 58 cents per 100 pounds.

Via St. John & Eastern S.S. Co.—
Carloads, 35 cents per 100 pounds.
L.C.L., 50 cents per 100 pounds.

Via Truro, D.A.R. and Yarmouth—
Carloads, 61 cents per 100 pounds.
L.C.L., 86 cents per 100 pounds.

The minimum weight for carload shipments being 24,000 pounds in each case. The Dominion Express Co. have advised me their rates are as follows:—

"All Rail" via St. John—
Carloads, minimum, 20,000 pounds, $1.95 per 100 pounds.
L.C.L., minimum, 20,000 pounds, $2.25 per 100 pounds.

Via Truro, Yarmouth and boat—
$1.35 per 100 pounds, any quantity.

Yours truly,

C. A. HAYES,
G. T. M.

APPENDIX No. 3

HOUSE OF COMMONS,
OTTAWA, March 18, 1916.

Mr. H. E. MACDONELL,
Asst. Freight Traffic Manager, C.P.Ry.,
Montreal, Can.

DEAR SIR,—The evidence which you gave before the Marine and Fisheries, Committee a day or two ago, has not yet been printed, but I am writing you, after looking over the typewritten proof, as to the information which you were good enough to say you would supply and which could form part of your evidence. This we would be glad to receive as early as possible so that it might be printed with the record, as the taking of evidence will likely be concluded in a day or two.

When your own evidence is printed a copy of it will be forwarded to you by the secretary.

I enclose memo. stating particulars which you were to supply.

Yours faithfully,

C. JAMESON,
Chairman.

MEMO. OF PARTICULARS TO BE FURNISHED.—MARINE AND FISHERIES COMMITTEE.

The C.L. and L.C.L. rates from Halifax to Quebec and Montreal, Toronto, Hamilton, London, Windsor, Winnipeg, Calgary and Vancouver.

L.C.L. from Yarmouth and Digby to foregoing.

C.L. and L.C.L. from Vancouver to prairie cities, Toronto, and Montreal.

Location of icing stations.

Cartage charges at principal points.

Quantity of fish from Maritime provinces to Quebec and Montreal, etc., C.L. and L.C.L during 1914 and 1915.

Reason why L.C.L. rates are not given to points west of Montreal.

CANADIAN PACIFIC RAILWAY CO.,
MONTREAL, March 20, 1916.

Hon. C. JAMESON, M.P.,
Chairman, Select Standing Committee,
Marine and Fisheries,
House of Commons,
Ottawa, Ont.

DEAR SIR,—I beg to acknowledge with thanks receipt of your letter of the 18th instant and will immediately prepare and forward you statements and answers to questions covered by your memorandum.

I beg to state that whilst we can furnish you promptly with answers to the questions, it will be impossible for us to give you a statement of quantity of fish forwarded from Maritime provinces to Montreal, Quebec, etc., during 1914 and 1915 for some time; in fact, it will take so long I am afraid it will have to go in as a supplement to my evidence later on.

I will, however, endeavour to get the statement as quickly as possible.

Yours very truly,

H. E. MACDONELL,
Asst. Freight Traffic Manager.

SIR,—I am enclosing statement of rates on fish, carloads and less than carloads, as requested in your memo. sent me with your letter of the 18th inst.

We have shown the carload rates from Digby and from Yarmouth, as well as less-than-carload rates.

As regards location of icing stations. I inclose copy of our Tariff E-2669 and beg to refer you to page 4 of same, which gives a printed list of regular icing stations and emergency icing stations.

As regards cartage charges. I beg to inclose you herewith copy of our Tariff E-2433, which shows charges at the various cartage points in Ontario and Quebec.

The reason was asked why less-than-carload rates are not given to points west of Montreal. I beg to say in reply that less-than-carload class rates are available and presume you really refer to our Tariff E-2455, copy attached, which deals with commodity rates on carloads only of fresh fish, generally speaking. We have used the tariff, however, to show special rates on fresh and frozen fish, as well as smoked, dried and pickled to Montreal, Quebec, and Levis, and in each case show commodity rates, as well as carload rates.

I might explain that fresh or frozen fish cannot very well be handled satisfactorily by freight in less than carloads to points beyond Montreal, Quebec, and Levis, at any time of the year, whilst to these three points, the L.C.L. commodity rates are available, but, of course, in the summer-time, subject to refrigeration which would have to be arranged for, if possible, and as stated at the hearing, was arranged for last season by the Government between St. John and Montreal.

I have the honour to be, sir,

Your obedient servant,

H. E. MACDONELL,
Asst. Freight Traffic Manager.

MEMORANDUM of Rates on Fish—C.L. and L.C.L—From Vancouver, B.C.

To	Dried, Smoked, Salted.		Pickled, Salted.		Fresh, Frozen.	
	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.
Calgary	85	*125	* 84	* 94	* 94	*188
Edmonton	85	*145	* 97	*108	105	*216
Moosejaw	85	*167	*112	*125	125	*249
Regina	85	*169	*115	*128	125	*255
Saskatoon	85	*167	*115	*126	125	*251
Brandon	85	*179	85	140	125	*281
Winnipeg	85	*180	85	*143	*143	*287
Toronto / Montreal	85	*232	95	*184	150	*362

* Class rate.

FREIGHT TARIFF BUREAU,

MONTREAL, March 23, 1916.

APPENDIX No. 3

MEMO. of Rates on Fish—C.L. and L.C.L.—From Halifax, Digby and Yarmouth, N.S.

From Halifax to	Fresh or Frozen.			Canned, Salted, Dried or Smoked.			Pickled.			Frozen, Salted or Smoked.
	C.L.		L.C.L.	C.L.		L.C.L.	C.L.		L.C.L.	Mixed C.L. Min. 24,000 lbs.
Quebec	24,000 lbs.	26	35	30,000 lbs.	24	35		20	28	
Montreal		26	35		24	35		20	28	
Toronto		33	x 66		x 3-	x 50	30,000 lbs.	*28	x 41	33
Hamilton	20,000 lbs.	34	x 68		x 34	x 51		*29	x 43	34
London		38	x 76		x 38	x 57		*33	x 48	38
Windsor		x 49	x 78	24,000 lbs.	x 39	x 59		x 39	x 49	
Winnipeg		x 97	x182		x 80	x125	24,000 lbs.	x 80	x 97	
Calgary	24,000 lbs.	x161	x310		x137	x211		x137	x161	
Vancouver		155	x384	36,000 lbs.	†110	200	36,000 lbs.	110	200	
From Digby to										
Quebec		27	x 76½	24,000 lbs.	22	x 58½		x 22	x 49½	27
Montreal		27	x 76½		25	x 57½	30,000 lbs.	x 22	x 47½	27
Toronto		37	x 86½		37	x 65½		x 33	x 55½	37
Hamilton	20,000 lbs.	38	x 88½		38	x 67½		38	x 56½	38
London		42	x 96½	24,000 lbs.	42	x 73½	24,000 lbs.	42	x 61½	42
Windsor		44	x100½		44	x 76½		44	x 63½	44
Winnipeg		x109	x200		x 84	x133	30,000 lbs.	x 84	x109	
Calgary	24,000 lbs.	x165	x328		x141	x219		x141	x170	
Vancouver		168	x402	36,000 lbs.	‡115	210	36,000 lbs.	115	x207	
From Yarmouth to										
Quebec		32	x 80½		27	x 59½		27	x 50½	32
Montreal		32	x 78		30	x 57	30,000 lbs.	30	x 48	32
Toronto		42	x 90½		42	x 68½		38	x 57½	42
Hamilton	20,000 lbs.	43	x 92½		43	x 70½		43	x 58½	43
London		47	x100½	24,000 lbs.	47	x 76½	24,000 lbs.	47	x 63½	47
Windsor		49	x102		49	x 77		49	x 66½	49
Winnipeg		x110	x204		x 91	x139	30,000 lbs.	x 91	x110	
Calgary	24,000 lbs.	x174	x332		x148	x225		x148	x174	
Vancouver		169	x406	36,000 lbs.	§122	216	36,000 lbs.	122	x211	

Fish, Canned, C.L. Min. 60,000 lbs. † 95c. ‡100. § 107c. x Class rate. * Will also apply on Salted Fish.

FREIGHT TARIFF BUREAU,

MONTREAL, March 23, 1916.

LIST OF REGULAR ICING STATIONS.

For directions in regard to the handling of perishable freight in iced refrigerator and ventilated cars, see Superintendent of Car Service's Circular No. 254, dated March 30, 1914.

Eastern Div.—
Megantic, Que.
Newport, Vt.
Smith's Falls, Ont.
Ontario Div.—
Havelock, Ont.
Trenton, Ont.
West Toronto, Ont.
Lake Superior Div.—
North Bay, Ont.
White River, Ont.
Cartier, Ont.
Manitoba Div.—
Fort William, Ont.
Winnipeg, Man.
Broadview, Sask.
Brandon, Man.
Souris, Man.
Bredenbury, Sask.

Saskatchewan Div.—
Sutherland, Sask.
Hardisty, Alta.
Moosejaw, Sask.
Swift Current, Sask.
Medicine Hat, Alta.
Alberta Div.—
Calgary, Alta.
Lethbridge, Alta.
Cranbrook, B.C.
Strathcona, Alta.
British Columbia Div.—
Field, B.C.
Revelstoke, B.C.
Kamloops, B.C
North Bend, B.C.
Nelson, B.C.
Vancouver, B.C.
Okanagan Lake, B.C.

BRANCH LINES AND EMERGENCY ICING STATIONS.

Atlantic Div.—
Edmundston, N.B.
Woodstock, N.B.
Brownville Jct., Me.
McAdam Jct., N.B.
St. Andrews, N.B
St. John, N.B.
Eastern Div.—
Warden, Que.
Sutton, Que.
Farnham, Que.
Montreal, Que.
Sortin, Que.
Outremont, Que.
Quebec, Que.
Ottawa, Ont.
Ontario Div.—
Teeswater, Ont.
Owen Sound, Ont.
London, Ont.
Elora, Ont.
Windsor, Ont.
(Shipments may be iced to a limited extent when specially arranged.)
Lake Superior Div.—
Sudbury, Ont.
(For shipments to points on Soo Branch and vice versa.)
Chapleau Ont
Schreiber, Ont.
Manitoba Div.—
Kenora, Ont.
Portage la Prairie, Man.
Napinka, Man.
Minnedosa, Man.
Saskatchewan Div.—
Regina, Sask.
Wynard, Sask.
Alberta Div.—
Macleod, Alta.
British Columbia Div.—
Sicamous, B.C.
Arrowhead, B.C.
Nakusp, B.C.
Roseberry, B.C.
Castlegar, B.C.
Rossland, B.C.
Robson, B.C.

LIST OF INSPECTION STATIONS.

All re-icing stations and any station at which a refrigerated or ventilated shipment is received from or delivered to a foreign line; also the following points:—

Atlantic Div.—
West St., John, N.B.
Eastern Div.—
Hochelaga, Que
Three Rivers, Que.
Ontario Div.—
Hamilton, Ont. (or Aberdeen).
Lake Superior Div.—
Sudbury, Ont.
(For shipments from the West to points on Soo Branch, and vice versa.)
Sault Ste Marie, Ont.
Chalk River, Ont.
Webbwood, Ont.
Manitoba Div.—
Ignace, Ont.
La Rivière, Man.
Miniota, Man.
Arcola, Man.
Neudorf, Sask.
Saskatchewan Div.—
Saskatoon, Sask.
Wilkie, Sask.
Weyburn, Sask.
Estevan, Sask.
Lanigan, Sask.
Alberta Div.—
Crowsnest, B.C.
Sirdar, B.C.
Red Deer, Alta.
Lacombe, Alta.
Wetaskiwin, Alta.
Camrose, Alta.
British Columbia Div.—
Mission, B.C.
Grand Forks, B.C.
New Westminster, B.C.
Victoria, B.C.

Rates published in the freight tariff issues of this company are exclusive of cartage.

At the undermentioned stations a cartage service is maintained by this company's cartage agents, and the charge for such service will be as shown below. It must be collected from consignees, or, in the case of prepaid freight, from shippers in addition to the freight charges.

On 1st, 2nd, 3rd, 4th, and 5th class freight, governed by Canadian Freight Classification No. 16 (G. C. Ransom, agent, I.C.C. No. 1), supplements thereto or subsequent issues (except as noted below).

4 cents per 100 pounds.

Atwater	Que.	Montreal	Que.
Mile End	"	St. Henry	"

3½ cents per 100 pounds.

Don	Ont.	West Toronto	Ont.
North Toronto	"	Toronto	"
Parkdale	"		

APPENDIX No. 3

3 cents per 100 pounds.

Chatham	Ont.	Thamesville	Ont.
Guelph	"	Ottawa	"
Hamilton	"	St. Hyacinthe	Que.
Kingston	"	St. Thomas	Ont.
London	"	Three Rivers	Que.
Bothwell	"	Tilbury	Ont.
Glencoe	"	Windsor	"
Newbury	"		

Minimum charge on any one consignment at any station, 20 cents.

Freight carried under Canadian freight classification classified lower than 5th class, also freight carried under other classifications which may classify therein 5th class or higher, but which is lower than 5th class in Canadian freight classification, will be entirely exclusive of cartage.

Cartage charges will be collected on cartage freight upon the same basis of weights as assessed by the railway company.

OTTAWA, March 27, 1916.

Lockeport Cold Storage Company,
Lockeport, N.S.

Maritime Fish Company,
Canso, N.S.

H. B. SHORT,
Digby, N.S.

The Chairman of Committee of Marine and Fisheries, now engaged in investigating spread in price of sea foods, directs me to request you to kindly lettergram me average cost of ice, package and labour shipping fresh fish Canadian markets; also, relative weight of ice and package as compared with fish.

THOS. S. HOWE,
Clerk of Committee.

(Telegram.)

LOCKEPORT, N.S., March 24.

THOMAS S. HOWE,
Clerk Committee, Ottawa, Ont.

Average cost of ice five cents package one dollar labour ten cents necessary to ship four hundred fifty pounds fish case weighs seventy-five pounds ice seventy-five pounds to hold four hundred fifty pounds fish.

LOCKEPORT COLD STORAGE CO.

(Telegram.)

THOMAS S. HOWE,
Clerk, Investigating Committee, Marine and Fisheries,
Ottawa.

Your wire twenty-first average cost ice ten cents package thirty-five cents, labour ten cents per hundred pounds, fish about fifty pounds ice and thirty pounds package to one hundred pounds fish.

MARITIME FISH CORPORATION, LTD.

(Telegram.)

DIGBY, N.S., March 28.

THOS. A. HOWE,
H. of C.

Wire received. Average cost of the usual three hundred pound fresh fish case, as shipped Canadian markets, ninety cents; ice twenty cents; labour and cartage thirty cents; average weight of package sixty-five pounds; ice one hundred pounds; fish three hundred pounds. In shipping from here we use principally barrels, containing two hundred pounds fish; sixty-five pounds ice; weight of barrel twenty pounds. Barrel costs thirty-five cents; labour packing about twelve cents; ice costs thirteen cents.

H. B. SHORT.

Mr. F. R. BAKER being called, and having made affirmation, was examined as follows:—

By the Chairman:

Q. Are you the chef of the Chateau Laurier?—A. No, the purchasing agent.

Q. How long have you acted in that capacity?—A. Almost a year.

Q. Will you state to the committee where you buy the fresh fish which is served at your hotel?—A. We buy some of our fresh fish at the local dealers—Lapointe's and Matthews-Blackwell—and for some we go as far as New York.

Q. In what quantities do you purchase?—A. That depends on the number of guests we have in the house.

Q. And I suppose also on the season of the year?—A. And the season of the year.

Q. You have, of course, a refrigerator system for the keeping of fish?—A. Yes, we have.

Q. What varieties of fish do you get from New York?—A. Some of the southern varieties of fish which you cannot get here in Canada.

Q. Do you find that your guests express a preference for salt water fish over the lake fish?—A. I could not say. It depends on the kind of fresh fish we have in season.

Q. You use the Canadian lake fish?—A. We do.

Q. Always, when you can get it?—A. When we can get it.

Q. How is it, in the case of Atlantic fish from the East?—A. We always use it, year in and year out.

Q. Do you get it in pretty good condition?—A. We try to have it in as nice a condition as we can. We do not mind what we pay for it.

Q. Do you sometimes find that fish has deteriorated in quality?—A. Sometimes in transit.

Q. You do not know, I suppose, what that is owing to, whether it is owing to lack of proper refrigeration?—A. As a rule to lack of proper refrigeration and to delay in shipments, sometimes, also.

Q. Is it more difficult to cook and serve fish than to cook and serve meats, to the satisfaction of the public?—A. It is.

Q. What is the reason of that?—A. First, the fish has to be absolutely fresh before it can be served any way palatable. Poor fish which is not fresh will always leave a certain odour after being cooked, and the guest as a rule objects to that.

Q. Taking your experience as it has been in Ottawa, do you find that conditions in regard to the Atlantic fish trade are satisfactory?—A. Not all the time, no, sir.

Q. Is that due, do you think, to a lack of proper refrigeration, and a failure to promptly deliver the fish?—A. Sometimes due to too much refrigeration when it is

frozen fish and has been kept in storage for several months. When we can avoid it we don't get that but sometimes it happens there is no fresh fish on the market. Then we have to get storage fish. If that fish has been stored and never taken out of the ice it is all right. But sometimes the fish has been thawed and has been put back into the refrigerator. That is the time fish goes bad.

Q. Then in order to keep frozen fish in good condition, and make it more attractive to the consumer they should be kept under refrigeration and in some place where they can be exposed at the same time to the gaze of the purchaser?—A. Exactly.

By Mr. Sinclair:

Q. How long can you keep fish before it begins to deteriorate?—A. As long as it is kept frozen, for several years.

Q. Do you find the flavour of a frozen fish is satisfactory?—A. It is if the fish is kept frozen in ice without any variation in temperature, but when the temperature varies or when it thaws out, the fish falls right off in quality.

Q. But the flavour of frozen fish is never as good as that of fish freshly caught?—A. Well, it is not exactly as good as that of fish freshly caught, but fish, if it is kept that way, is just as good as fresh fish.

Q. Have you had any experience in regard to the flavour of fish caught and served for food the same morning?—A. No, I have not, except in——

Q. You have never seen a mackerel taken out of the water and cooked immediately afterwards?—A. I have not, except in my younger days, when I have caught them myself.

Q. You know the difference between the taste of such a mackerel and the taste of a mackerel two or three days old?—A. Yes, I do, but when a mackerel has been caught fresh and is frozen right away, it will keep its flavour just the same. That has been proven many times in New York city. There are plants in that city where they are able to preserve fish in such a condition. There is nothing so hard to preserve in excellent condition as blue fish, but they are frozen as soon as they are caught almost, in winter especially, and they are put on the market sometimes when they have been on the ice for a year or more.

Q. What do you mean by the expression "frozen in ice"?—A. There is a certain process of leaving the fish in cold water and freezing the ice right around it, keeping it in that way.

Mr. FOUND: What is known as glacing.

The WITNESS: Yes, glacing.

By Mr. Sinclair:

Q. Is that a better plan than freezing fish in an ordinary refrigerator?—A. It is certainly very much better.

Q. Do you get any fresh fish at all that is not frozen?—A. We do sometimes.

Q. I mean fish from the Atlantic coast.—A. We do, especially in the summer. Most of the fish we get in the summer is fresh; it has been only three or four days caught.

Q. You mean fish packed in broken ice but not frozen?—A. Yes, packed in broken ice but not frozen.

Q. Is fish of that kind more satisfactory?—A. It is more satisfactory than frozen fish, but you cannot always get that kind. In winter you cannot get it. In transit the fish will freeze because the railroads have not got proper facilities to keep it from freezing.

Q. Do the dealers prepare fish for cooking?—A. When you request them to do so, but not for us.

Q. Why don't you get the fish prepared in that way?—A. Because our facilities for handling fish are better. Then we have a cook who is experienced in that line of business.

Q. What varieties of fish from the Atlantic coast do you make use of?—A. Any varieties of fish obtainable.

Q. Do you use any flat fish?—A. We do not.

Q. Why, because there is no demand for them?—A. There is no demand for them. The average public do not know the wide range of varieties of fish that exist. The only fish they are familiar with are the common fish such as cod, haddock and halibut, and those are the kinds they will ask for when they go into the dining room. When you suggest a fancy fish or some other nice fresh fish, they will say: "I do not know it, I would rather have some codfish, haddock, or halibut."

Q. You do not do any missionary work?—A. We do, but people do not always care to follow our advice, they have their own opinion.

Q. Have you ever tried tile fish?—A. Yes, we have tried some.

Q. How did they suit?—A. They suited us very well the time we had them. Those tile fish, although coming from the East were bought in Toronto. They went all the way up to Toronto and then came back here to Ottawa.

Q. Originally shipped from the Atlantic coast?—A. The Atlantic coast.

Q. You do not usually get your fish by way of Toronto?—A. We do not, but that was a time when nobody in town had any tile fish and so we bought in Toronto.

Q. Is the tile fish a new fish here?—A. Well, very few people seemed to have heard of it before.

Q. But you think it would be an acceptable fish to the people if they knew about it?—A. Yes, it would be.

Q. Do you use salt fish at all?—A. We do.

Q. Herring?—A. Some herring.

Q. In what kind of way are they put up?—A. They are put up in small kegs.

Q. Where do they come from?—A. They come from the coast.

Q. How much would the kegs weigh?—A. About ten or fifteen pounds.

Q. What do you pay for one of these kegs?—A. It depends upon the kinds of fish. For herrings, as low as four or five cents per pound. The price sometimes goes to 25 or 30 cents in the case of salt mackerel, which we get from New York.

Q. You do not buy your herrings by the barrel?—A. We do not. That would be too large a quantity for us.

Q. You say that sometimes the fish does not reach you in a satisfactory condition. What do you mean by that?—A. Sometimes in transporting the fish from the coast to here, that is in cold weather like this, the fish is frozen when it gets here. It is put in storage by the local fish dealers, but it thaws and goes bad. But the dealer, in order to try and sell it, freezes that fish again and tries to dispose of it in that way.

Q. And it deteriorates in that way?—A. It deteriorates, undoubtedly.

Q. When it is thawed out and frozen again?—A. Yes.

Q. Your opinion is if you could get it frozen and keep it in that condition its quality would be maintained unimpaired?—A. Yes, if you could get it frozen from the point of shipment up to the time it is ready for consumption that fish would keep its natural flavour just as if you had the fresh fish right from the coast.

Q. You think that placing it in a refrigerator would be a good method?—A. It would be, but not as good as the freezing of fish in water.

Q. I suppose you get your fish by express?—A. Most of our fish we get locally from the local dealers.

Q. What do you pay for haddock?—A. At the present time we are paying 12 and 13 cents a pound. That is, for the real fresh fish we have to pay as high as 12 and 13 cents. It depends also on the fluctuation of the market. Sometimes we get haddock for as low as 6 and 7 cents.

Q. Do you order from Montreal?—A. We do not get it from Montreal.

Q. Where do you get it from?—A. From Ottawa, from the local dealers

Q. You do not know where they get it?—A. We do. We know that they get it direct from the coast mostly.

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Q. You think the local dealers are not very well equipped?—A. I could not say that because I never have visited their plants very thoroughly.

Q. It often does not reach you in very good condition?—A. It has to reach us in good condition, otherwise it is returned. The fish when it comes in the hotel is inspected there, and if it is found it is not right it is returned right away. It is only the good fish that we accept. But sometimes frozen fish when it gets here you cannot tell whether it is really good or not until it is thawed out, and then sometimes it is too late to send it back.

Q. Do you find that lake fish comes in better condition than the coast fish?—A. It does, it has not so far to travel.

Q. What kind of fish do you get from the lakes?—A. When it is in season, we get lake trout, whitefish, and the small kind of trout that is not in season yet.

Q. What salmon do you use?—A. Whatever salmon is on the market. Sometimes the Gaspé salmon, or the salmon from farther west, from British Columbia. We got last fall salmon from British Columbia.

Q. Do you always make the purchases you wish in the local market?—A. All the time, except sometimes we want to put a specialty on the menu, then we go to New York. You can get fish fresher from New York than here.

Q. What is the express rate from New York to Ottawa?—A. $1.80 a hundred pounds. It is quite expensive.

Q. Does that include box and ice?—A. It does. We do not pay for any ice or box.

Q. They come free? You pay for the fish alone?—A. The fish alone. We pay only for the fish, but of course, we pay for the weight of ice and box. There is another thing; the duty amounts to quite a little, almost a third of the value of the fish.

Q. I thought that you did not pay for the box and ice?—A. We pay the freight charges.

Q. That is what I was trying to get at.—A. Sometimes we only get 50 pounds of fish, but the box will weigh 100 or 120 pounds.

Q. And you pay for the 100 pounds?—A. We pay for the 100 pounds.

The CHAIRMAN: Mr. Found has a question that he wishes to ask.

Mr. FOUND: I am not quite clear about what you said concerning fish freezing in water. Is it some special method outside of a cold storage plant?

The WITNESS: I will give you an instance. In New York there are several places where the fish come in; they are washed and then they are put in a small tub, which is filled up with fish, and which they put in a freezer and freeze.

Mr. FOUND: It has nearly the same effect as what is generally known as glacing, where, in something like an ordinary refrigerator, the fish is brought to a certain temperature, and dipped in a tub of running water, and immediately put again in the refrigerator and covered with ice to prevent evaporation. Then I think there was a misunderstanding in regard to the delivery of frozen fish and fresh fish. Was the Committee to understand that you might order fish to be shipped to you fresh, and that before it was delivered to you, owing to being frozen in transit, it was frozen fish?

The WITNESS: It would be sometimes in very cold weather, such as we have here.

Mr. FOUND: How would there be a possibility of that when fresh fish is always shipped packed in ice?

The WITNESS: I have seen fish come to the hotel from New York in one instance, but in transit the fish was left here overnight.

Mr. FOUND: It was frozen in Ottawa.

The WITNESS: Yes, when the fish got to the hotel, it was one solid block of ice.

Mr. FOUND: It was frozen between the time it reached the station and got to the hotel. That was bad management. Fish shipped from the coast packed in ice is essentially fresh fish. Fish that is frozen is fish shipped in ordinary freight cars.

The WITNESS: I mean it was due to lack of proper facilities.

Mr. FOUND: Here?

The WITNESS: Or in transit.

Mr. FOUND: Fish that are shipped fresh are packed in ice and shipped in an ordinary express car, or else in a car where the temperature is maintained where it would be impossible for it to freeze. The ice may melt, but it certainly would not freeze.

The WITNESS: Is it always done that way?

Mr. FOUND: It is always done that way in the shipping of fresh fish. Frozen fish is shipped under conditions where it will stay frozen. It is shipped in ordinary freight cars.

Mr. LOGGIE: Except when it comes by express.

By Mr. Loggie:

Q. I have heard the witness speak about frozen fish arriving in bad condition. That is very unusual in the winter season.—A. Not in the winter season.

Q. It would not apply in summer at all. You do not know really whether these goods came by express or freight?—A. I do, because we specify how they have to come.

Q. But before you received them at any rate, you found them thawed out. When a dealer receives them he puts them back in cold storage, freezes them again, and they are not right?—A. Yes.

Q. That experience is exactly what happens. As a matter of fact, I know from personal experience that the frozen fish shipped by express do deteriorate en route, because they are put into heated cars, and the frost in the fish starts to give, and when they are delivered to you they are more or less deteriorated?—A. That is, as a rule, due to lack of proper ice.

Q. There is no ice at all in the fish I am speaking of. It is the heat in the car that draws the frost. What kind of salmon do you use?—A. When it is in season, the Gaspé salmon.

Q. Would you tell the Committee your reason for not using Gaspé salmon all the year round?—A. When the salmon is in season there is a greater call for it than when it is not in season. When the people think the salmon is frozen, when it is out of season, they do not want it. They always want fresh fish when they can get it. No matter what variety of fish it is, they always want the fresh fish.

Q. What you mean to say is that the salmon from Gaspé would be out of season when the Western salmon would not be?—A. Yes.

Q. But if you could get Gaspé salmon all the year round—that is salmon caught in the months of May and June, when they really are in season and placed on ice immediately after being taken out of the water—wouldn't you use it in preference to Western salmon?—A. Not when you could get fresh Western fish.

Q. The fact of their not being fresh fish would make it less acceptable?—A. Yes.

By Mr. Sinclair:

Q. Are the Pacific salmon practically as good as the Gaspé?—A. I think the Gaspé salmon is about the best salmon in the market.

Q. That is, it has a better flavour?—A. A better flavour.

Witness discharged.

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Mr. E. B. JOHNSON being called, and having made affirmation, was examined as follows:—

By the Chairman:

Q. You are secretary of the Rideau Club?—A. Yes, sir.

Q. How long have you acted in that capacity?—A. About three years and a half.

Q. Where do you buy the fresh fish which is served at your club?—A. Fresh fish? Do you mean ocean or lake fish?

Q. Both ocean and lake fish.—A. The lake fish we buy altogether locally. The ocean fish we buy locally when we can get it. Sometimes we get it from New York, sometimes from Boston.

Q. Do you purchase any from Montreal?—A. We have done so, but not as a rule.

Q. What quantities do you have to purchase from the United States in order to supply the club?—A. Well, it would be only a small quantity. I mean to say we do not try to buy very much from there, because it is very much more expensive. It is expensive to bring in, and when we do so it is more by way of giving a variety than it is as a steady quantity.

Q. In what quantities do you buy?—A. We buy anywhere from 20 to 60 pounds.

Q. Have you refrigeration at the club?—A. We have.

Q. Are you able to keep the club supplied with a good class of fish at all times of the year?—A. No. Sometimes we find it very difficult to get a good class of fish.

Q. Do you notice that some fish, when it is delivered to you, has deteriorated in quality?—A. Yes, we do. As a matter of fact, we try to avoid having very much of that. We prefer to go without rather than have fish that is at all doubtful in quality.

Q. Do you notice any preference on the part of any members of the club as between the lake fish and the ocean fish?—A. Well, yes and no. What I mean by that is this: If you have had a good deal of ocean fish, and fresh lake fish comes along, people take it in preference. I think myself that people would take fresh fish quicker than salt water fish under those circumstances.

Q. How much ocean fish do you use in proportion to the total quantity consumed; one-half or two-thirds?—A. When they are both in season we would use two-thirds to one-third. That is two-thirds of ocean fish.

Q. Do you find it is more difficult to cook and serve fish than to cook and serve meats in order to make them attractive?—A. Yes, it is.

Q. You need a better chef to serve fish attractively than to serve meat?—A. Fish is a thing cooks do not like very much. That is one of the objections.

Q. Why do they dislike it?—A. You frequently see them running around with their fingers rolled up from bone poisoning. You take more particularly the bone in the doré. That is a fatal thing.

Q. Is there any other objection besides the chance of injury from fish bones?—A. No, I think that is the only thing.

Q. Does the odour in the preparation of fish for the table count for anything with the chef?—A. No.

Q. Do you regard the system of marketing fish in Canada as being satisfactory?—A. Very unsatisfactory.

Q. From your experience what do you attribute that to, have you ever given the subject any consideration?—A. The greatest difficulty you have to-day is to obtain a supply of haddock or codfish of a certain size; you practically cannot get it. It is the same with smelts of certain sizes; you cannot get them.

By Mr. Loggie:

Q. Do you use Gaspé salmon all the year round?—A. No, sir, we do not. I might say we get salmon from a man at Gaspé. We get it sent up three times a week during the open season.

Q. If it was frozen immediately upon being taken out of water and thus kept in a perfectly fresh condition until delivered here, would you use it all the year round? —A. I do not think we could. As a matter of fact, we try to avoid frozen fish. If you use fresh Gaspé salmon and then have to come down to the frozen salmon, my experience is that it is not quite as good.

Q. I do not see any reason why it should not be as good.—A. If we can get fresh fish we always do so in preference to frozen fish.

Q. Do you use any frozen mackerel in the winter season?—A. No, none at all

By Mr. Sinclair:

Q. What kind of fish do you use?—A. The three common varieties; haddock, cod and halibut, and smelts and lobsters when we can get them. I might say we tried to get smelts from people in New Brunswick. We asked them to send us up some and they did so, but the smelts were so small we had to stop ordering them. The salmon coming from Gaspé is absolutely a success.

Q. Do you get your lobsters alive?—A. Yes.

Q. Not boiled?—A. No, we boil them alive.

Q. Do they arrive in good condition?—A. We have had excellent results this year. We used to get them from the Atlantic Fish Company and they were very satisfactory, but that company is now out of the business, I understand.

By the Chairman:

Q. The North Atlantic Fisheries, in Halifax, was it?—A. Halifax was where they came from.

By Mr. Loggie:

Q. You have no difficulty getting extra smelts here in the winter season?—A. Yes.

Q. I thought the Matthews people had them all the time.—A. They have smelts, I agree, but we have difficulty in getting them large enough.

By Mr. Sinclair:

Q. Do you use the flat fish from the Atlantic Coast?—A. Is that what is called the sole?

Q. Yes.—A. Yes, we do. We have used them several times when we could get them.

Q. They would be easily transported, would they not?—A. I think they would. We have only bought them locally. We have never attempted to bring those up ourselves.

Q. Have you many local dealers in the city?—A. There are two: Matthews-Blackwell and Lapointe. Matthews-Blackwell have several stores, and I think they supply some of the retail stores as well.

Q. A number of the meat stores handle fish as well?—A. Yes.

Q. If fish were prepared for cooking would it not overcome the difficulty as to bone poisoning, which you spoke of?—A. Yes, but you would be charged more then for the fish, and it is cheaper for us to prepare the fish ourselves. You see we have the labour to clean the fish, and if we had to pay one or two cents a pound more for the cleaned fish from outside it would be too expensive. My experience is that we have better results with our present system.

Q. What would you pay in Ottawa per pound for fresh haddock?—A. Haddock costs us 12½ cents.

Q. And cod the same?—A. Cod and halibut, 18 cents. Cod is particularly expensive just now.

Q. What do you pay for smelts?—A. The last we bought, I think, were 18 cents.

Q. By the pound?—A. Yes. We like to get them running about three to the pound.

Q. Then you like your smelts large?—A. Yes.

Q. I think you are mistaken in that. The sweetest smelt is the smallest.—A. That is what they say, the gentlemen from the coast, but up here they like their smelts large.

Q. You find it difficult to get a constant supply, do you?—A. We do. You can always get the three varieties of fish, cod, haddock and halibut, but often it is not very safe to buy it. I have seen fish offered here that was absolutely unfit for sale.

Q. Do you think the consumption of fish would be much greater if it reached you in good shape?—A. I have no doubt of it.

Q. And if a constant supply was available?—A. I do.

By Mr. Loggie:

Q. Do you use salt mackerel at the Rideau Club?—A. I can say yes, but I can also say no, not in any quantity. We have salt cod also, but not in any quantity.

Q. Where do you get your salt mackerel?—A. When we get any at all we get it locally. Only just enough to say we use it.

Q. There is a great difference in the quality of salt mackerel?—A. Yes. When we get fresh mackerel, not too large, there is a tremendous demand for it, but the supply seems to be very limited, judging by the supply we get in Ottawa.

By Mr. Sinclair:

Q. You have no trouble about getting finnan haddie in good condition?—A. No, it is very good.

Q. Do you use much?—A. We use a great deal of finnan haddie. We cannot get kippered herrings.

Q. Why?—A. I do not know, but we cannot get them locally.

Q. Did you ever try Digby herrings?—A. No, we never tried them.

Mr. PAYNE: What do you pay for your finnan haddie?

The WITNESS: Eighteen cents a pound for mild cured finnan haddie.

Witness discharged.

The CHAIRMAN: Mr. J. L. Payne is here. I would ask him to take the stand again.

Mr. J. L. PAYNE, recalled, and further examined.

By the Chairman:

Q. At the close of your evidence as printed in No. 7, page 168, certain memoranda from the Statistics Branch, Department of Railways and Canals, were handed in by you. These memoranda, as printed, contain the information furnished by you?—A. Yes. The statement is one which I sent you as a result of your request at the last meeting.

Q. I would like to ask you, Mr. Payne, in continuation of some questions which were being directed towards the explanation of the express traffic in Canada as to what the position of the express companies in Canada is with reference to the ownership by railways?—A. The Canadian companies are all owned by railways, but there are two or three American companies doing a small business in Canada. The total business done by the express companies—that is attaching to the Canadian companies—would be represented by over 90 per cent.

Q. You mean express companies owned by Canadian railways?—A. Canadian companies largely owned by Canadian railways.

Q. Apply the same question to conditions prevailing in the United States, and what would you say with reference to their express companies?—A. I have the facts before me, and I have studied them with some little care, and have taken as my basis of estimate the gross earnings, and I have found that 90 per cent of the gross earnings

by express companies in the United States attached to companies which are free from railway control so that the situation is just practically reversed over the Canadian situation.

Q. Would you say that the base rate of express in the United States would be a fair criterion for the formation of a similar rate in Canada, having regard to the fact that in Canada the railway companies own the express companies, and that in the United States the express companies are owned independently of the railways?—A. Mr. Chairman, I have searched the records of the Interstate Commerce Commission—and they are all in my hands since the first report they issued—this is the first report I have brought with me.

Q. For what year?—A. For the year ending 30th June, 1909, and I have not found any statement which definitely supports the statement made to you here by Mr. Stout, I understand. I do not find any fixed base rate laid down by the Interstate Commerce Commission. Nor do I know that a base rate was accepted by the Railway Commission of Canada.

By Mr. Sinclair:

Q. What do you mean by "base rate"?—A. I understand that Mr. Stout said that a base rate acceptable as a fair rate for express companies was twice the first-class freight rate, plus a charge of 25 cents.

By Mr. Loggie:

Q. Plus a charge of 25 cents per hundred pounds?—A. As the rates are quoted ordinarily on the one hundred-pound basis, I assumed that Mr. Stout referred to the hundred-pound rate. I have felt it to be part of my duty, Mr. Chairman, to study, as far as information is available, this matter of express rates, as apart from express tariffs, with which I am not familiar; and I cannot find any fixed law laid down either by express companies or by any investigating tribunal; and I frankly feel that no such law could be laid down.

By Mr. Sinclair:

Q. It would be common to all the express companies in the United States?—A. I mean this, Mr. Sinclair, that in answering the question: What is a fair express rate between two given points, that it is a thing governed entirely by the facts, not particularly to be measured by any standard of rates. While we are on this question, I think I could quote to you, as bearing upon your investigation here, a statement made in the first report relating to express companies in the United States by the Interstate Commerce Commission; and the conclusion here is so obvious that I think it ought to be on your records:—

> "In considering the operating expenses of an express company, therefore, the cost of transportation may be largely eliminated, this being covered, so far as the express company is concerned, by the amounts which it pays to the carriers under its contracts. The operating expenses of an express company are the expenses of collection and delivery, the salaries and expenses of train employees, who safeguard the goods in transit and handle them en route; the cost of reloading at transfer points; the payments for loss and damage; the expense of maintenance, and general expenses. A moment's consideration of these items makes it evident that the expense incurred by an express company does not materially increase in proportion to the distance the consignment is carried."

And I hold, Mr. Chairman, that this is self-evident and perfectly obvious.

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By the Chairman:

Q. Before you go any further, would you say what record you were reading from? —A. The first annual report of the Statistics of Express Companies in the United States as published by the Interstate Commerce Commission, p. 9, under the heading, "Character of the Express Service."

By Mr. Sinclair:

Q. What year?—A. It relates to the year ending June 30, 1909. This is a somewhat academic analysis of express conditions in the United States, and an attempt to measure the express rates. And I assure you that, giving it the best attention and judgment of which I am capable, it has not landed me at any very definite state of knowledge.

Q. Does it land the people of the United States in any better position than they were in before they had the investigation? Was any improvement made?—A. I do not know, Mr. Sinclair.

Q. What was the idea of the report?—A. This was the commencement of a definite system of statistics applying to express companies. Previous to that time there was no definite information in regard to the business of express companies, just as there was none until we began here in 1911 to get the facts with regard to our Canadian express companies.

By the Chairman:

Q. Previous to 1911, the express companies in Canada were not required to file a report?—A. No.

Q. They have been required to file one since that date?—A. They do, under exactly the same system that applies to express companies in the United States. Our system of statistics is practically identical with theirs.

By Mr. Loggie:

Q. While you are dealing with American express companies, can you tell the Committee the relation of the National and the American express companies operating out of Montreal to the Canadian connections? They have changed their relationships, I understand, within a few months, that is to say that up until a short time ago the Canadian express company took charge of shipments and handed them after they left their own railway to the National and the American, whereas now the National and the American companies have offices of their own in Montreal and are taking the goods. I had occasion yesterday to ship ten boxes of frozen mackerel from Montreal to New York, and instead of going to the Canadian Express Company, I got the billing through the American Express Company.—A. Mr. Loggie, so far as these two companies are concerned, they both report to me, and they are practically one and the same company.

Q. That is the National and the American, I understand that. What I wanted to know is, what is the relation on Canadian territory between those companies and the Canadian Express Company, and the Dominion Express Company?—A. I really do not know. My functions would not—I should not say that my functions would not require me to know. These companies are required to report to me any contracts or arrangements they may make for the handling of express matter within the Dominion of Canada; but an arrangement made outside of Canada does not come within my jurisdiction.

Q. This would be an arrangement made in Canada going over Canadian railways? —A. If you want that for your personal information, I will get it and send it to you.

By Mr. Sinclair:

Q. By examining those contracts, you can ascertain whether there is a combine among these express companies, or a working agreement to keep up rates?—A. I think, Mr. Sinclair, I ought to be very cautious in making any statement along that line.

Q. I think that is very important.—A. If you had said: "Is there a working agreement among these companies?" my answer would be "yes." But when you say "to keep up rates" that is a matter about which I would require specific information, because it reflects upon their integrity.

Q. They are anxious to keep the rates up as high as they can. We will assume that, as business men, they will want to do that?—A. My answer would be: I do not know, Mr. Sinclair. There is a working arrangement among the express companies, but that is——

Q. When a change takes place with one it takes place with the other?—A. There is the same working arrangement among the express companies that exists among railway companies. If a shipment were being made from one point to another over two or three different lines, there is a distinct understanding among these companies as to the rates which each company shall receive on that shipment. That is what I mean.

Q. You mean the companies consult with one another?—A. No, there is a working tariff, which, when a through rate is quoted by one company, involves a certain proportion of that rate going to the two or three companies concerned in the movement. Do I make it clear to you?

Q. Yes, I understand you, but supposing there are two routes between Montreal and Toronto, and the Grand Trunk reduces its rate on a certain commodity between these two points, does it have any consultation with the Canadian Pacific?—A. If they did anything reduced to the form of a contract they would be obliged, under the Railway Act and in a demand made upon them by the prescribed schedule, to acquaint me with the character of that contract or to give me a copy of it even if it were reduced to writing.

Q. The same would be true of the express companies?—A. Absolutely the same. It is one of the basic prescriptions of the department that any of the arrangements affecting rates must be reported definitely to the department.

By the Chairman:

Q. Will you go back now to the question I was asking a few minutes ago as to whether it is a fair proposition to take the base rates of the express companies in the United States and apply the same to Canada, in view of the fact that the American express companies are not railway owned, and the Canadian express companies are railway owned. In reply to that, you quoted from the Interstate Commerce Commission report for the year 1909? Is that the only answer you feel like giving?—A. I think I ought to go a step farther and say, that having regard to the conditions in the United States and in Canada it is practically obvious that the express companies in Canada could afford to give a lower rate.

Q. What do you think might reasonably be considered a fair difference in the rate?—A. I do not know that I could attach a percentage to that difference. It would require a good deal of careful working out. But since we now clearly understand that express privileges represent a purely arbitrary payment in which there is no competition, and that a very large proportion of that payment is in the nature of profit, a fact like that has a definite bearing upon what could be regarded as a fair express rate.

Q. Will you state, if you can, the value of express equipment in Canada?—A. In round figures, Mr. Chairman, the total equipment owned by express companies in Canada is one million dollars. It is actually $999,564, and it is made up as follows: horses, $203,226; vehicles, $290,946, and other equipment, $505,392. You see that the other equipment not classified is practically more than the other two items combined.

Q. From what source do you get that information?—A. From the sworn reports of the express companies to me.

Q. What express companies have reported and are included in that statement?—A. The American, British American, Canadian, Canadian Northern, Dominion, Great Northern and Wells-Fargo Company; seven companies.

By Mr. Sinclair:

Q. The figures you give were the value of the equipment of these companies in Canada?—A. In Canada.

By the Chairman.

Q. Was this acquired out of capital?—A. It was absolutely, every penny of it, paid out of revenue.

Q. Out of profits or revenue?—A. Yes. In fact I might say again, to emphasize the point, that there is no trace in the reports of a single dollar of capital having been used for anything whatever in connection with the express business in Canada.

Q. That is, it did not require any capital investment?—A. I go further. I say they did not invest a penny in anything that is tangible. They did not buy property, buildings, equipment or anything else, with a single penny of capital in Canada.

Q. They have bought some buildings, or erected some?—A. They have built them out of profits or earnings. Take the case of the Dominion Express Company as an illustration. That company simply used the credit of the Canadian Pacific Railway for the purchase of whatever equipment was necessary to start the business of the Dominion Express Company, and whenever the earnings came in they paid the debt out of earnings and that was the end of it.

By Mr. Sinclair:

Q. What is that "other equipment"?—A. The items are here in part (indicating statement). It consists of automobiles, car safes, messenger safes, office furniture and so on. The analyzed account is fairly complete in the detailed statement given here by each company.

By the Chairman:

Q. Do you know anything of the value of the express equipment of this character on the Intercolonial?—A. No, sir. For the reason that the express equipment on the Intercolonial is owned either by the Canadian Express Company or the Dominion, and there is no assignment of that property by railways in the report to me. It is just a return as a whole, scattered all over the Dominion.

By Mr. Loggie:

Q. It is not segregated at all?—A. It is not segregated at all.

By the Chairman:

Q. From your knowledge of this matter, acquired through these reports, interviews with officials of the express companies and otherwise, do you think the express business in Canada has been a profitable one?—A. By every fair and proper test, Mr. Chairman, the express business in Canada has been enormously profitable and I use the word "enormously" with a full knowledge of all it implies.

Q. Have you any means of saying what the net operating revenue of the various express companies have been, except since 1911?—A. I gave you the figures and they appeared in your report of the last meeting.

Q. That was since 1911?—A. Exactly.

Q. You have nothing definite——A. Anterior to that?

Q. Yes?—A. I have nothing.

Q. Will you state, Mr. Payne, the distance between Mulgrave and Boston, via St. John, by land?—A. Mulgrave to Boston via St. John, and from St. John via the Boston and Maine, the distance is 790 miles.

Q. Now give, please, the distance from Mulgrave to Montreal via St. John on the Canadian Pacific Railway?—A. The distance from Mulgrave to Montreal by the Intercolonial and the Canadian Pacific is 817 miles. By the Intercolonial alone it is 897 miles.

Q. What is the distance from St. John, N.B., to Montreal by the Canadian Pacific Railway?—A. It is 482 miles.

Q. What is the distance from Vancouver to New York by Canadian Pacific and connecting lines?—A. The distance from Vancouver to New York via Montreal is 3,272 miles.

Q. Now, I would like to ask you, Mr. Payne, in view of the fact that you have had an amateur's experience in the distribution of sea foods here in Ottawa, whether you have formed any idea as to the best method of distributing fresh fish in cities?—A. Mr. Chairman, I have very definitely, and that judgment is based upon talking with a great many people about the distribution of fish, for, as I told you at the last meeting, I have taken a great deal of personal interest in the matter of fish. If fish were presented attractively to a housekeeper, it is practically certain that a substitution of fish for meat would take place very largely. In other words, the ordinary householder in Ottawa would use five times as much fish as that householder now uses. What happens is that one goes to the butcher shop and finds a very unattractive presentation of fish. In summer-time it is particularly objectionable. If the fish were brought to your door, it would result, in my judgment, in at least five times as much fish being consumed as under the present method of distribution. Now, a very attractive form for bringing fish to your door would be in what I might call a portable refrigerator, a thing which does not suggest any particular expense. Simply a box, enamelled on the inside so as to be perfectly sanitary and clean, with an ice chamber on the top, and a liberal distribution of ice on the inside. For people do like to see ice in contact with the fish. There should be a drainage provided to carry away the water, for nothing is so uninviting as to see fish lying in a pool of water. I am confident, if such a system were adopted, it could be carried out inexpensively, and be made profitable, and would certainly result in a very large increase in the consumption of fish.

By Mr. Sinclair:

Q. You said the express companies were profitable institutions?—A. Mr. Sinclair, there can be no possible doubt about that.

Q. They have no real capital, and I understood you to say that the railway companies get the profits?—A. I do not mean to say they are profitable simply because they have earnings and no actual capital. I mean if you assume that they have all the capital which they claim to have, and which is an actual investment, still the profit is very large.

Q. Where does the money go?—A. It goes into the pockets of the railway company.

Q. Do the shareholders of the Canadian Pacific Railway get the benefit of it in the case of the Dominion Express Company?—A. They must get it. It goes to the shareholders of the Canadian Pacific, because the Canadian Pacific, in the case of the Dominion Express, gets absolutely all the money that the Dominion Express Company makes.

Q. The same is true in the case of the Canadian Express Company; it goes to the Grand Trunk?—A. Absolutely. And in the case of the Canadian Northern Express to the Canadian Northern; and then in the case of the other little company, the British America, it goes to the Algoma Central, every penny. It is a mere matter of charging

certain operating expenses against this pocket, and the residue going to that pocket. There is but one pocket in the end.

By Mr. Loggie:

Q. That would not be true so far as the Intercolonial is concerned?—A. Supposing the Intercolonial had their own express business?

Q. If they had. But under present conditions?—A. They get 50 per cent of the gross earnings operating over the line.

By Mr. Sinclair:

Q. There must be a distribution of profits to the shareholders. Where do the profits go?—A. In the case of the Intercolonial?

Q. Yes.—A. It goes to lessen the deficit in some years.

Q. I mean the express company.—A. The earnings from the Intercolonial go to the shareholders of either the Canadian Pacific or the Grand Trunk in profits made out of express business.

Q. What is the name of the two companies operating on the Intercolonial?—A. The Canadian Express Company and the Dominion Express Company. Any profits realized from express business on the Intercolonial go therefore, to the Canadian Pacific Railway or the Grand Trunk Railway.

Q. I understand.

The CHAIRMAN: That is all.

Witness retired.

Mr. A. H. BRITTAIN, recalled and further examined.

By the Chairman:

Q. Mr. Brittain, are smoked fish shipped by net or gross weight, and have carload quantities ever offered?—A. I believe it was stated on one or two occasions that no carload shipments offered from the East, but the trouble is that the express men have not endeavoured to give all the information they could on the subject. To illustrate, we shipped on March 17, from Mulgrave to Toronto a carload of smoked finnan haddies by Canadian express, representing 24,000 pounds, which will net the express company $420, figured out as follows: 24,000 pounds at $1.75 per hundred, $420. Now, to illustrate to you that all the fish shipped by express from the Maritime Provinces does not travel on net weight, I might illustrate the fact that only fresh fish shipped in ice, or frozen fish, travels on net weight, whereas smoked fish such as finnan haddies, fillets, kippers and bloaters go forward on a gross weight. The published tariff which has been passed by the Board of Railway Commissioners on smoked fish calls for the following:—

15-pound	boxes	Finnan Haddies,		shipping	weight	20	pounds	gross.
15	"	"	Fillets		"	"	18	"	"
30	"	"	Finnan Haddies		"	"	36	"	"

The same thing applies to kippered herring. Now, figuring this carload of finnan haddies which has gone forward by express to Toronto, I might state there is 18,000 pounds net weight of fish in the car, which actually costs the consignee $2.33 per 100 pounds, as this product has to go forward on a gross weight.

By Mr. Loggie:

Q. What is the gross weight?—A. 24,000 pounds.

Q. There must be something wrong on that. That is adding a third?—A. You will

figure out that 1,200 boxes of finnan haddies, with a gross weight of 20 pounds, equals 24,000 pounds, while the net weight is 18,000 pounds.

By the Chairman:

Q. What was the regular express rate per 100 pounds there?—A. $1.75.

Q. As a matter of fact it cost $2.33?—A. Yes.

By Mr. Sinclair:

Q. Is that the actual weight of the box?—A. That has been estimated. It will vary a little.

By Mr. Loggie:

Q. To add a fifth is a very common practice?—A. There is a stipulated amount.

Q. They have a stipulated gross weight?

By Mr. Sinclair:

Q. The express company receives the goods already packed in the box?—A. Yes.

Q. It is the gross weight they get on their own scales?—A. Yes.

Q. It must be a sum in subtraction?—A. The Railway Commission has established a weight for finnan haddies and other smoked fish on the basis of the weights I gave you on the gross weight.

Q. There is no actual weight?—A. It will vary from 19½ to 20½ pounds.

By Mr. Loggie:

Q. For 15-pound boxes?—A. Yes, sir.

By Mr. Sinclair:

Q. You could get that readjusted?—A. The only reason it was brought up was to illustrate that all the fish was not shipped on the net weight, as indicated by some of the witnesses from the express companies. There is a lot of fresh fish comes in carload lots from the East. I shipped two carloads from Mulgrave Saturday, giving the express companies a revenue of about $1,000.

Witness discharged.

Mr. FOUND, recalled and further examined.

By the Chairman:

Q. Have you prepared a memorandum showing what the food values of various varieties of fish are, as well as of meats and other food products?—A. I have prepared a statement, which I now beg to hand in. It will be the most satisfactory way of dealing with the matter.

STATEMENT showing the percentage of protein or nitrogenous materials—body building and repairing materials—in certain kinds of fish and meats.

	Per cent protein.
Cod steaks	17·0
" (dressed)	11·1
Cusk "	10·1
Hake "	7·3
Haddock "	8·4
Halibut "	15·3
Herring (whole)	11·2
Mackerel (dressed)	11·6

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STATEMENT showing the percentage of protein or nitrogenous materials—body building and repairing materials—in certain kinds of fish and meats—*Continued.*

	Per cent protein.
Pickerel "	12·0
Pollock "	15·4
Salmon (Atlantic) dressed	15·0
Smelt (whole)	10·1
Oysters (bulk)	6·0
" (shell)	1·2
Soft shell clams, long neck (in shell)	5·0
Hard shell clams, little neck (in shell)	2·1
Mussel (in shell)	4·6
Lobster (in shell)	5·9
" (canned)	18·1
Crabs (in shell)	7·9
" (canned)	15·8
Beef, side, medium fat	14·8
Mutton side	13·0
Average of beef, veal, and mutton	14·5
Pork, side	8·3
Chicken	13·7
Turkey	16·1
Milk	3·3
Wheat flour	11·4
" bread	9·2
Potato	1·8
Cabbage	1·4

In the following table, the cost of one pound protein if purchased in the way of the foods named, at the prices stated, is shown:—

	Price per Pound. Cents.	Cost of 1 Pound of Protein. $ cts.
Codfish (whole)	8	72
" steaks	12	71
Halibut	16	1 04½
Haddock (whole)	8	1 00
Salmon (canned)	12	62
Beef, sirloin steak	25	1 52
" round	14	74
Mutton chops	20	1 48
Pork loin	12	90

Q. One of the witnesses who appeared before the committee stated that the carload quantities on the Intercolonial had within the last year or so been increased in the case of fresh fish from 20,000 to 24,000 pounds, and in the case of smoked and pickled fish, if my memory serves, from 24,000 to 30,000 pounds. From your knowledge of Canadian markets do you think such action is oppressive on the fish trade?—A. I think there can be no doubt that it will have a detrimental effect in shipping by carloads, at least in every market excepting the Friday market. While it might be possible to make up 20,000 pounds frequently, at the same time it would not be possible to make 24,000 pounds, and thus the carload-lot rate would be shut out.

Q. Then you would regard it as a detriment and a hindrance to the development of the fish business?—A. I would so regard it.

Q. Do you know whether the Canadian Pacific Railway has the same standard quantities now for a carload?—A. I have had no specific information from them. I observe, however, a contradiction in the evidence.

Q. Would you state to the committee the quantity of lobsters which have been imported into Canada during the last fiscal year?—A. I should say there were none imported into Quebec. The importations into Ontario numbered 183, made up as follows: Toronto, 175 barrels; Hamilton, 7 barrels; Bridgeburg, 1 barrel.

By Mr. Loggie:

Q. Do you say there were no lobsters imported into the province of Quebec?—A. None into the province of Quebec from the United States. I am quoting from a report furnished by the Department of Customs.

Q. That is marvellous.—A. That is for the year ending 31st of March, 1915.

By Mr. Sinclair:

Q. Quebec was supplied from local sources?—A. From the Canadian Atlantic coast.

Q. I suppose you have no way of finding out what quantity is consumed in the whole of Canada?—A. It would be a speculative figure. I am trying hard to get that information through the dealers in Montreal, Toronto, and other places. We hope to have some fairly definite information, which we are now working on, for the present year.

Q. It is impossible to get the absolute quantity?—A. It is very difficult, keeping in view the quantity which is consumed along the coast.

Q. Was the table of the food values which you handed in compiled from a scientific source?—A. Yes, sir. I have gleaned it largely from United States sources, but they are all standard analyses.

Q. In the course of this investigation, evidence has been given that there is a large amount of water in fish?—A. Yes.

Q. And when that disappears the fish becomes lighter. Did you bear that fact in mind?—A. It would not matter, because the water would be analysed as such in any event.

Q. The water would form part of the weight, would it not?—A. It would be part of the content.

Q. And the water would be eliminated?—A. Yes, the water would be eliminated. I could have given a statement showing the various contents, but I deemed it better to compile the statement in the form in which it appears.

Q. When the change increasing the carload quantities to 24,000 and 30,000 pounds, respectively, was made, was the department consulted?—A. No. Personally I did not know anything about it.

Q. When did you become aware of the changes?—A. When the evidence was being given before this committee.

Witness discharged.

The CHAIRMAN: We have another witness here in the person of Mr. J. J. Cowie, but I think we had better postpone his examination until our next sitting on April 4. The meeting will stand adjourned until that date.

Committee adjourned.

APPENDIX No. 3

HOUSE OF COMMONS,
COMMITTEE ROOM No. 301,
TUESDAY, April 4, 1916.

The Committee met at 11 o'clock a.m., the Chairman, Mr. Jameson, presiding.

Mr. L. B. ARCHIBALD called, sworn, and examined.

By the Chairman:

Q. What is your official position with the Intercolonial Railway?—A. Superintendent of Sleeping and Dining Cars.

Q. In connection with your menu, do you have a regular service of fish?—A. We do.

Q. Is that printed on the menu, or on a slip attached to it?—A. Under the heading "Fish," "See Special to-day" is the way it is shown on each menu card, every time we have a special that is not on the regular à la carte bill.

Q. Where do you get your fish supply?—A. Principally at Halifax.

Q. What varieties of fish do you get?—A. Cod, haddock, halibut, mackerel, trout in season, salmon. We have all kinds that we can get.

Q. Do you have them carefully inspected before they are put on so that they reach your cars in prime condition?—A. We try to get them on the car in prime condition. You cannot tell much by inspecting a frozen fish, which is the case in winter time.

Q. Do you have refrigeration on your dining cars so you can keep the frozen fish in a frozen condition until ready to be used?—A. Yes, in our ice boxes the fish are packed in cracked or broken ice.

Q. What percentage of the fish you purchase and put on the cars, deteriorates to such an extent that you cannot use it, and it has to be discarded?—A. Very little.

Q. Five per cent?—A. I would say not more than ten per cent.

Q. Have you kept a record of that?—A. Not specially.

Q. What do you pay for the fish that you get, as a rule?—A. We pay 4 cents a pound for cod; 4 cents for haddock; for other fish we pay the ordinary market rates according to fluctuations.

Q. Have you had any practical experience in connection with the dining car service?—A. You mean as an employee on a dining car?

Q. Yes. Were you ever employed in that capacity?—A. No.

Q. You could not say how many servings, for instance, you would get from a 4-pound haddock?—A. You would get about two, because about 50 per cent of the fish is waste in the first place by the time it is trimmed and made ready for the oven.

Q. And then it takes about two pounds to make one, and one pound to a serving?—A. There is a depreciation of about 50 per cent in the trimming and preparing of the fish.

Q. And after that, do you serve an actual pound?—A. We do, that is the order. We do not always serve a pound of fish with every order; it would not be advisable to do so. For instance, take the case of a lady; we would not care to put down before a lady a large piece of fish. It would not be good service; it would not be dainty; the sight of it would probably pall her appetite.

By Mr. Copp:

Q. The price would pall her appetite more than anything else.—A. You know the Intercolonial is your own bantling, and we are trying to do our best. We do not want to waste anything, we want to have a nice service.

By the Chairman:

Q. To go back to the point you were speaking of, you serve then about one pound to the ordinary person?—A. That is what our regulation calls for.

Q. And in some cases less?—A. Yes. But if any one wants an additional helping of fish, or anything else, they would get it without any extra charge.

By Mr. Copp:

Q. What did you say about the extra helping?—A. If any one is served with any article on an order, and does not get sufficient to satisfy him, and asks for more, he would get it without any extra charge.

By Mr. Kyte:

Q. Is that information printed on the menu?—A. It is not printed, sir. Those instructions are given to the conductors.

Mr. COPP: It is news to me.

By Mr. Kyte:

Q. How are people to know they do not have to pay for extra servings?—A. The conductor is supposed to walk about his car observing what is going on; and if he saw a man getting through with his fish for instance, he should ask if he wished some more.

Mr. KYTE: I have been travelling on the Intercolonial for many years, and no such intimation was ever given to me.

By the Chairman:

Q. What does it cost then to serve one order of fish? We have two pounds of fish going into one order, which would cost, according to the price you have mentioned, about eight cents. What do you figure the cost of serving to be?—A. You have to take into consideration the wages, the haulage of the car, and all those things. It would be a difficult matter to arrive at, but I would say about 25 cents at least.

By Mr. Kyte:

Q. That is a pure guess, of course, Mr. Archibald?—A. I have never figured it out.

Q. When you say it costs 25 cents, it is a mere guess?—A. That is my opinion.

By the Chairman:

Q. Do you find there is a fair demand for fish on your trains?—A. Yes, and the fish business is increasing on the trains. For the year ending March 31, 1915, we sold on the dining cars about 48,000 pounds of fish of all kinds; and for last year, ending March 31, 1916, about 55,000 pounds.

Q. When did you change from the table d'hôte to the à la carte service on the dining cars?—A. Some three or four years ago, I do not remember the exact date.

Q. Do dining cars as operated by the Intercolonial, pay?—A. They do not.

Q. Is the loss heavy?—A. Yes, it is an expensive advertisement.

Q. Do you not think it would increase the demand for fish on your trains if the price for a serving of fish were reduced? The price of a serving is 50 cents?—A. Yes.

Q. If it was reduced to 25 cents or less?—A. It might, to some extent.

Q. Do you think that the price at present is not a deterrent to people purchasing?—A. No, I do not. I think it is about as cheap perhaps as anything we have; and we charge ten cents an order less on our cars than they are charging on the Canadian Pacific Railway.

By Mr. Kyte:

Q. Mr. Archibald, is there as much nutriment in fish as there is in meat? Do you know as a matter of fact?—A. No.

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Q. As a matter of fact there is not. A patron of the dining car service can get a meat order for 50 cents?—A. Our meat orders are 60 cents and upwards.

Q. Have you a bill of fare here?—A. Yes. I have one here. (Producing copy of bill of fare).

Q. You said, Mr. Archibald, that it is three or four years since you changed the menu from the table d'hote to à la carte?—A. I think so.

Q. Can you say what the meals cost on the Intercolonial at that time?—A. We had breakfast and supper, I think, for 75 cents; and the mid-day meal $1.

Q. Of course, fish and meat were served then the same as they are now?—A. Yes.

Q. Without going into particulars, of course you would be able to tell the committee whether the meals under the present system cost more than they did at that time?—A. I do not think there is any material difference in the cost between the à la carte and table d'hote systems.

Q. You think not?—A. I do not think so.

Q. Then we will have to go into it. A dinner on the table d'hote system cost one dollar, you say. That included soup?—A. Yes.

Q. Relishes?—A. Yes.

Q. Fish?—A. Yes.

Q. Meat?—A. Yes.

Q. Vegetables?—A. Yes.

Q. Not limited as to number?—A. No.

Q. Dessert?—A. Yes.

Q. Including cheese, coffee and fruit?—A. Yes.

Q. And the whole of that cost $1. Under the present system let us figure out what it would cost. Will you take this card now, Mr. Archibald (handing menu to witness) and figure out what a dinner including these particular items would cost to-day. What does soup cost?—A. On the table d'hote system, a person would come in and take a good many more of these things than he would now.

Q. We will have to take the card as it is. We know what a patron of the Intercolonial could get for one dollar under the old system. Let us see what it would cost him now. Soup costs how much?—A. 20 cents.

Q. If he wanted a relish it would cost him what?—A. Well, we do not give them all the relishes we have here.

Q. Take one.—A. Worcester sauce, we make no charge for that in either case.

J. What about chow chow?—A. It would be given if asked for.

Q. It is charged for now?—A. It is charged for now.

Q. What does it cost?—A. Our price is 15 cents. It is something that is very seldom called for.

Q. He could have got it before if he called for it. He would take something, I do not say chow chow alone?—A. Chow chow, chutney, mixed pickles and olives are things not generally called for. Worcester sauce is more generally called for; but tomato sauce and chutney are not often used.

Q. If it had been called for, he would have got it without being charged extra?—A. Yes.

Q. What is the charge for chow chow now?—A. He is charged 15 cents.

Q. What is the charge for fish?—A. 50 cents.

Q. If he wanted meat, say roast beef?—A. 55 cents.

Q. Potatoes?—A. 10 cents.

Q. If he desired other vegetables, such as are placed upon the bill of fare, what would they cost him?—A. Well, very few would take them all.

Q. I know. What vegetables are on the menu?—A. We have mashed potatoes, boiled potatoes—he would certainly only take one of those in any case. Lima beans, turnips, boiled onions.

Mr. L. B. ARCHIBALD.

Q. Say beans and onions?—A. That would be 30 cents.

Q. Well, then, if he wanted tea?—A. Tea would be 10 cents.

Q. Yes. He would pay for his bread and butter, would he not?—A. Not at that time.

Q. But he does now?—A. Yes.

Q. What is the price of bread?—A. 10 cents for bread and butter.

Q. How much is the dessert?—A. Pudding, 15 cents, or pie. He would not have both, likely.

Q. Certainly not. Well, now, if he wanted fruit?—A. It is very seldom called for in either case.

Q. But he could have had it before if he asked for it?—A. Yes.

Q. How much would that cost?—A. Assorted fruit would be 25 cents.

Q. Please total that up?—A. That would be $2.20.

Q. You still think, Mr. Archibald, that it does not cost very much more for a dinner on the I.C.R. than it did five years ago?—A. It would if a man took all these things, Mr. Kyte, but it is seldom that we ever have a check that would cover all these things ordered by anyone. Such a thing would be a rarity.

Q. It would depend upon a man's pocketbook what he would order, would it not? —A. Hardly, sir. It would largely depend upon his appetite as well.

Q. At any rate, a meal which would cost $1 five years ago or earlier than that, might now very reasonably cost $2.20?—A. Yes, but may I say a word? At the same time there are a great many people who now come in and get a cup of tea and a piece of toast for 25 cents on this à la carte bill of fare, who formerly for that toast and tea would have to pay 75 cents.

Q. Not necessarily?—A. Yes, sir, under the table d'hôte.

Q. But people who would be content with a cup of tea and a piece of toast would generally go to the dining rooms en route for such lunches.—A. That may be.

Q. The same increase of cost applies to the other two meals?—A. Presumably.

Q. Is the serving of fish in the dining cars now as large as when you first adopted the à la carte system?—A. I think it is. I do not know of any change.

Q. And you still think that one pound of fish is actually served to each customer in a dining car?—A. Actually served to everybody?

Q. Yes?—A. No, I do not think so.

Q. When is one pound of fish served and when is it not?—A. It is served when it is required.

Q. You mean on a repeat order?—A. Yes. A waiter with any gumption, if he was serving a lady, would tell the cook in the kitchen that it was for a lady, and the cook would not serve as large an order as if it were for a man.

Q. And if it were served for a man the waiter would tell the cook to give him a large order?—A. He would not tell the cook anything about it. He would simply deliver the order the patron gave him.

Q. So it comes down to this, Mr. Archibald: that unless a guest in a dining car asked for a large order he would not get it?—A. Not necessarily, no, sir. If he wanted a larger order of anything we would give it to him.

Q. But you say there are two servings of fish, a small one for a lady and a large one for a gentleman?—A. Yes.

Q. But unless the waiter told the cook he wanted a large order or a small one, the servings would not be of these proportions, would they?—A. He would probably say nothing at all.

Q. Then the small order would be given?—A. If he wanted a small order he would say so. If he wanted an ordinary order he would not say anything at all. Then he would get just what the rule prescribed.

Q. But in any case it would be a small order that would be given? Or can you say anything as to that?—A. I could not say as to that.

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Q. You say that a guest ordering fish and requiring a repeat order would get it without extra charge?—A. If he wanted more fish he would get it without any extra charge.

Q. Would it not be a good thing to have that fact stated on the bill of fare?—A It might, but it might also lead to some other abuse.

Q. It might lead to a man taking a full meal of fish?—A. Yes. If we had nothing else to consider except making this order large and nice for everybody, it would be a different matter, but we are asked to exercise all possible economy consistent with efficiency. That has been drilled into us from the word "go," and there is no object in giving a man a larger order than you have reason to believe he is going to consume, because what he does not consume has to be thrown away and there is that much loss to us.

Q. Even assuming he wishes to have meat as well as fish?—A. If he gives a fish order and does not eat the whole of it that is the end of it; we cannot do any more with that fish which the guest has not used.

Q. With regard to dining cars on other railways, when an order is given for fish there is enough for two served. You know that, do you not?—A. Most of our orders are large enough for two. I have never had any complaints about the small orders of our fish.

Q. Patrons of the Intercolonial Railway have spoken to me time and again complaining that the amount of fish served to them upon order is getting smaller all the time?—A. I do not think that is correct.

Q. It might be worth while looking into?—A. Yes, it will be well to look into it.

Q. Are you in a position to speak as to the relative values of fish and meat from the standpoint of the quantity of nutriment they contain?—A. No, sir, I am not.

Q. From your own experience you know that a fish meal is not as substantial or satisfying as a meal of meat?—A. It is much more so to me.

Q. To you?—A. I am a crank on fish.

Q. Of course you do not perform any manual labour, that makes some difference? —A. I do not eat any meat. I prefer fish and have always made it a point to do anything I could to make the fish service a feature in our bills of fare and in our cooking.

Q. What does your meat cost you, for instance, your chops?—A. Our lamb costs us anywhere from 15 cents to 25 cents per pound, according to the season.

Q. And you serve two chops for 50 cents, the same price that you charge for serving a bit of fish?—A. Yes.

Q. And you get your fish for 4 cents a pound?—A. Yes.

Q. How many chops go to the pound?—A. That I cannot say.

Q. And you serve ham or bacon for 45 cents?—A. Yes.

Q. What does ham or bacon cost you?—A. It will cost from 22 to 27 cents, according to the market.

Q. Do you think it is reasonable, Mr. Archibald, to charge as much for serving fish that costs you 4 cents a pound, as for a service of chops or ham which costs you from 22 to 25 cents a pound? Does that seem reasonable?—A. Possibly not, but we—

Q. Mind you, I am not finding any fault with you, personally, it is the system we are after. I would be very sorry if you got any impression that you personally were held responsible for it?—A. I may say that of course we follow to some extent, the prices that the Grand Trunk, the Canadian Pacific or the Canadian Northern have on their bills of fare. And in any case, where our prices are different from the Canadian Pacific, the Grand Trunk or the Canadian Northern, take it from me, they are lower in every case.

Q. Where is the eastern terminus of the Canadian Northern, in Quebec?—A. Yes, I do not think they run any dining cars into Quebec.

Q. They are operated west of that city?—A. Yes.

Q. And they are many hundreds of miles from the source of supply?—A. They have other sources of supply yielding different fish.

Q. We are speaking about the fish that you use?—A. The Atlantic fish?

Q. Yes, they are many hundreds of miles away from the sources of supply of Atlantic fish?—A. I do not think they have any of it at all. I think they fall back on whitefish and——

Q. Do you think it is reasonable to make the same charge to the patrons of the Intercolonial Railway for codfish and haddock, for instance, as the Canadian Northern makes for the fish supplied in its dining cars?—A. I would sooner you made a comparison with the Grand Trunk or the Canadian Pacific, because they have the same source of supply that we have. They get their fish from the Atlantic.

Q. Where is the eastern terminus of the Grand Trunk?—A. At Portland.

Q. What does the Grand Trunk pay for the fish they buy in Portland?—A. I could not say.

Q. You do not know that?—A. No, I do not.

Q. Where do the Canadian Pacific buy their fish?—A. At St. John, N.B., I believe.

Q. They are quite a long way from the source of our fish in Nova Scotia.—A. Well, their dining cars run through St. John and they get their fish as they pass through. So that they are as close to the source of supply as we are, as far as that goes.

Q. What do they pay for their fish at St. John?—A. I do not know.

Q. Then you are not in a position to institute any comparison. On your trains you have endeavoured to make your bill of fare correspond, as to variety and price, with the bills of fare of the Canadian Pacific Railway and the Grand Trunk Railway?—A. Yes.

Q. Quite irrespective of the cost of the fish to you as compared with the cost to the other two companies?—A. Yes, I do not know what their cost is; but their prices are higher than ours for fish, and they have an equally good chance to get it.

Q. Now Mr. Archibald, you stated that the loss upon fresh fish unconsumed, and the cost of handling it, amounted to about 25 cents, what do you mean by that?—A. 25 cents per order.

Q. Have you made any calculation as to that?—A. No, I have not made any absolute calculation.

Q. What part of your department—I suppose it is the dining car service, is it—has to do with the making up of these bills of fare?—A. My department makes them up.

Q. They are made up at headquarters, at Moncton?—A. At Halifax.

Q. You say that the consumption of fish is increasing on the Intercolonial Railway?—A. Yes, the figures show that.

Q. How do you account for that? Is it by reason of the increased number of people that travel by the Intercolonial Railway?—A. That would possibly be one reason.

Q. But the amount of meat consumed on the Intercolonial Railway is also increasing, is that for a similar reason?—A. Yes.

Q. Can you say what was the loss of operating the dining room service under the table d'hote system as compared with the loss to-day?—A. I could not give you the absolute figures here, but I can get them.

Q. I think you stated there is a loss today in regard to the dining service?—A. Yes, a heavy loss.

Q. Was the loss on the average greater under the old system?—A. No, sir.

By Mr. Sinclair:

Q. You could furnish those figures by looking up your books, could you not?—A. Yes, I think so.

By Mr. Kyte:

Q. Do you think there would be a greater consumption of fish in the dining service if you made the cost of fish a little less than the cost of meat?—A. The difficulty I see is that the people do not care for the fish as much as they do for meat.

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Q. They do not care for it because it costs them quite as much.—A. I do not think that is altogether the reason.

Q. I do not care for fish if I have to pay the same price for it as I do for meat. Do you not think, Mr. Archibald, more people would care for fish if they got it a little cheaper than they got meat?—A. I think perhaps more of it would be used.

Q. Do you think it is fair to charge the same for a small serving of fish as you charge for a serving of meat in view of the fact that your fish costs very much less, and also having in view that there is not as much nutriment in fish as there is in meat? —A. No.

Q. The Hon. Mr. Hazen made the statement in the House the other day with regard to the fish restaurant that was opened in Toronto in connection with the Toronto Exhibition, that they furnished a whole meal of which fish was, of course, the chief element, for 25 cents; that they served 25,000 people, and their loss was $1,000?—A. Yes.

Q. Now you are serving the fish alone and you are charging twice as much as Mr. Hazen's department charged for a whole meal at Toronto. Do you not think you are making a pretty large profit on fish?—A. Yes, if we could confine ourselves to fish we would make some money.

Q. If you could confine yourself to fish?—A. Yes, that is in view of the fact that you only pay 4 cents a pound for fish and you have to pay 22 to 25 cents a pound for meat.

The CHARIMAN: That is hardly a fair comparison, as a matter of fact, while fish costs only 4 cents a pound owing to the loss in preparation for cooking, it takes about two pounds to make an order.

By Mr. Kyte:

Q. I do not think Mr. Archibald is prepared to say that a pound of fish is served with each order?—A. No, sir, I do not think there is.

Q. Is a half a pound served?—A. Yes, I think so.

Q. I think it is rather a light half pound. However, take it at half a pound on the average, and you charge 50 cents for that. At that rate the fish you buy at eight cents you are selling at $2 to the consumer?—A. Yes, if each order weighs a half pound.

Q. We have had this thing gone into through the fish dealers and we know the proportion of loss per pound. Do you think it is calculated to increase the consumption of fish when fish you buy for 8 cents you ask your consumer to pay $2 for? Do you think that is a reasonable profit on fish?—A. I fancy we do not consider these figures when making up our bill of fare.

Q. That is one of the reasons you are here today, so that you will have these things before your mind the next time you are making up a bill of fare. The fish industry is an important industry in Nova Scotia, which is the eastern terminus of the Intercolonial railway and the object of the committee is to see in what way we can increase the consumption of fish. Some of us think more fish would be consumed in Canada if it could be got cheaper than it is at the present time, and we think that the Intercolonial Railway would be a good place to begin to extend the consumption of fish. Would it involve very great loss to the Intercolonial Railway, do you think, if you charged 25 cents for a serving of fish and so had four times as much fish consumed as you do now? Would that involve very great loss as compared with the present loss?—A. I do not think so.

Q. Do you not think, then, that if fish cost less than meat there would be more of it consumed?—A. I do, yes. They cost less. The lower the price the more would be consumed. But I would like to say that we never made a bill of fare with the idea of helping out the fish dealers. We were trying to get something out of it for the

dining car service, that is the reason, and I thought we were doing pretty well when we made our prices for every thing we possibly could below those of our competitors.

Q. Now, are they below?—A. Yes, they are below.

Q. You have no bill of fare of the Canadian Pacific Railway here to compare with?—A. No. But ours are lower.

Q. You say "generally speaking?"—A. I say not in every case.

Q. Is the fish cheaper on the Canadian Pacific Railway?—A. Their fish order is 60 cents, and ours is 50 cents.

Q. They give larger orders?—A. Yes, but there is more waste.

Q. That may be true.—A. That, of course, helps the dealer.

By Mr. McCurdy:

Q. Did I understand you to say that you allowed repeat orders free of charge? —A. Not a repeat order. If anybody is served with fish, or with any other dish, and he does not feel satisfied, if he will say to the conductor: 'I would like more of this fish,' or anything else, he will get an additional helping without any extra charge.

Q. Why do you say that the Canadian Pacific Railway serves a bigger fish order even at 60 cents, than you do at 50 cents?

Mr. KYTE: In the first instance it does. But a man does not know that. This is the first time I ever knew of this repeat order privilege.

The WITNESS: I have not been working for the fish dealers; I have been working to try to eliminate as far as possible waste in order to reduce the expenses in connection with the dining car service, and it has been impressed upon me that I must be economical in every way.

Q. But Mr. Archibald, surely the price you charge for any article you put on the bill of fare must be estimated by the cost to yourself?—A. Yes.

Q. You base the cost of the meat order upon the amount you have to pay for it, and the expense incidental to it?—A. Well, we could do that. But there is an easier way than that that we take; that is, we see what our neighbours are doing and follow their lead.

Q. Then the Intercolonial is following the lead of the Canadian Pacific Railway? —A. Yes, and that of the Grand Trunk, in so far as our charges are concerned for these meat orders on the à la carte system.

Q. You are not basing your charges upon what you regard as a reasonable charge to make to the patrons of the road; but you are making your charges according to those of the Canadian Pacific and the other transcontinental lines?—A. Yes.

By Mr. Chisholm (Inverness):

Q. Was it in order to do that that you changed to the present system?—A. No, sir, I do not know just exactly how that was brought about. A number of our patrons preferred to have the à la carte service, and they brought it to the attention of the Minister and Members of Parliament, and the result was that it was determined to make the change.

By Mr. Kyte:

Q. Do you know why they desired to make the change?—A. The table d'hote gave a bill of fare which was the same every day, we will say, for a fortnight, and there was not variety if the man was travelling two or three days out of a fortnight on the road. He was getting precisely the same meal every day. and if we changed it to the à la carte system he could pick and choose and have it cooked to order.

Q. What is the greatest length of time that a man would be upon the Intercolonial going from one end to the other?—A. Not more than two days. But there are people who are travelling between two towns, say Sydney and Mulgrave, and who would be

travelling backwards and forwards during the continuance of one bill of fare. He would be getting the same meal every trip.

Q. Did I understand you to say that you are behind almost as much now in the dining car service in the matter of meeting expenses as you were before the change?—A. Yes, because people have an opportunity of getting meals cheaper, of getting what they want to eat cheaper by the à la carte than they did by the table d'hôte

Q. It has been no advantage to the Intercolonial to make the change?—A. It has been an advantage to a class of people who could not afford to go into a dining car and pay 75 cents for a breakfast, who can now get toast and coffee for 25 cents or 30 cents.

Mr. LOGGIE: That is a reasonable proposition.

The WITNESS: There are a great many people, who, for instance, take a breakfast on the dining car. Now, tea and a piece of toast is about all they want. That is the case particularly with ladies; and you see that the cost of that is only, say 25 or 30 cents; whereas before when they went in they had to pay the full 75 cents whether they took any more than a cup of tea or not.

By Mr. Kyte:

Q. But the suggestion I have made does not, of course, interfere with that preference?—A. I might say that when we first started our service, I believe our prices were absolutely the same as the Canadian Pacific Railway and the Grand Trunk, and any changes that have been made by us since have been in the nature of reductions, and now, whenever there is any change, we are lower.

Q. Would you consider a proposal to furnish a fish order on the Intercolonial at a cheaper rate than a meat order, considering the circumstances of the difference in the cost to you of fish?—A. I think it may be worth giving a trial.

By Mr. Loggie:

Q. What weight do you call your meat orders?—A. We do not figure them exactly by weight.

Q. Would it be less than half a pound?—A. Oh, no, it should be at least half a pound, and in many instances it is more than that.

By Mr. Copp:

Q. Mr. Archibald, I understood you to say you bought your fish at Halifax at 4 cents a pound?—A. That is the cod and haddock only.

Q. That is delivered on the car?—A. That is delivered at the Railway station.

By Mr. Loggie:

Q. Is it dressed at 4 cents a pound?—A. No, sir, the entrails are out, that is all.

By Mr. Copp:

Q. The head and tail is on?—A. Yes, and when you take the head, tail and backbone out, 50 per cent of your fish is gone.

Q. What I want to ask you is, do you buy from the fishermen themselves, or from the first man who gets it from the fishermen?—A. There are two fish dealers in the city of Halifax who are both wholesale and retail dealers, and there are really no other fish dealers in the city who could supply our requirements.

Q. That is not the point. I think you misunderstand me. Do the fishermen sell to these men first, and then you buy from these men?—A. Yes, we cannot buy from the boats.

Q. There is a profit between the fisherman and your prices?—A. Yes.

By Mr. Sinclair:

Q. Mr. Archibald, I do not like to see that statement go on record that the Intercolonial is following the other railways in all these matters. Would it not be advisable for the People's railway to tal › the lead in showing the way?—A. I have often thought so, sir; I do not see why we should not.

Q. It is disappointing. We had it once or twice in this examination, not in connection with your department alone, but in others that the Intercolonial was following the lead of other railways. When the less than carload rate was raised, the Canadian Pacific Railway raised their rate at the same time. Your advice is taken about matters relating to your department, is it not?—A. Yes.

Q. You are the head of the department?—A. Yes.

Q. And if any reform is necessary you are the man to submit it to the Minister? —A. I would have to submit it to my superior officer.

By Mr. Loggie:

Q. What do you pay for fresh salmon during the season?—A. In the early part of the season, when it first comes in, we sometimes have paid as high as 50 cents a pound for salmon. That would be only to feature it on the bill of fare; we could not continue to supply fresh salmon and keep it running on the bill of fare at 50 cents a pound, but we like to have fresh salmon when it first comes in, the same as we do with any fresh vegetable. We like to get it as early as possible on our bill of fare, even if we do not continue it. Later on the fish costs us from 18 cents and it gets down to 14 cents—sometimes to 12, but not very often, though. The average of the salmon I get I buy first hand. I buy it just as it comes out of the boats at the Bay of Fundy.

By Mr. Copp:

Q. What time of the year do you have to pay 50 cents for salmon?—A. Early in May, salmon out of Midway river. It sometimes retails in Halifax for $1.00 a pound. I think I am correct in that, Mr. McCurdy?

Mr. McCURDY: Not so late in the season as that. This year the earliest we got that salmon was the 3rd of February.

The WITNESS: When we were running a table d'hote business we used to feature Thanksgiving, Christmas, New Year's, and so on with a special bill of fare. We made a special bill of fare for the particular day and got anything we could in fresh fish even if we had to pay a high price for it.

By Mr. Loggie:

Q. At what point do you get this Bay of Fundy salmon?—A. At Londonderry.

Q. Do you take the salmon on board at Londonderry?—A. No, they are shipped to us at Halifax.

Q. From Londonderry?—A. They are shipped to us to our Commissary room at Halifax and there distributed to our different dining cars.

Q. You could not very well have your dining cars take the salmon en route?—A. No, because we could not depend then on a regular supply. Besides, all our dining cars do not pass that point.

By Mr. Sinclair:

Q. But you have a refrigerator car, have you not?—A. Not a refrigerator in the sense you are speaking of, it is an ice box. Our fish is packed in a box with crushed or cracked ice.

Q. Do you buy sufficient fish in Halifax for your return trip from Montreal to Halifax?—A. We stock our cars at Halifax nearly all the time for the round trip from Halifax to Montreal and back.

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Q. How many days does that represent?—A. Four days.

Q. You find the fish all right on the fourth day?—A. Yes, if it is good to start with and is kept frozen. It is impossible to tell when a frozen fish comes in—no system will tell you that—if it is absolutely fresh. A fish may have been exposed in a dealer's window and thawed and then been frozen again, and thawed again and finally thrown back into cold storage, and then it will work its way out into somebody's hands. We may get one of these occasionally.

Q. I am as much interested in having fish sold in good condition as in getting a good price for it for the fishermen. It is a good advertisement. Can you buy supplies of fresh fish in Halifax?—A. Not in the winter season.

Q. Are not codfish and haddock available in the winter season there?—A. Not fresh and unfrozen.

Q. You can buy them fresh in Mulgrave during the months of December, January and February?—A. There is a difficulty there that does not perhaps occur to you. We have no place at Halifax in which to store any reserve quantity of fish, and our orders for fish that go out on our dining cars are given within an hour or two of the departure of the cars. If we were getting supplies of fresh fish from Mulgrave we would have to give the order en bloc, a wholesale order, because we could not give Loggie an order say for 25 pounds to-day and 50 pounds to-morrow. He would require a regular standing order.

Mr. LOGGIE: I may say that is not this Loggie, it is another person of the same name.

By Mr. Sinclair:

Q. Is there not a great difference between frozen and fresh fish?—A. If fish is frozen and has not thawed after it is frozen it will keep a long time, and when it comes to be cooked it takes an expert to detect that it has been frozen. But after it is frozen and thawed once or twice it is a different proposition altogether.

Q. And supposing the fish is a little stale before it is frozen?—A. Then it is in even a worse condition. Our people have the most positive instructions that if there is any doubt about the quality of an article they are not to serve it. We do not want to serve any fish simply for the purpose of working it off or disposing of it.

By the Chairman:

Q. How many pounds of fish do you take on at Halifax?—A. It depends upon the conductor's requisitions. We use about 1,000 pounds of fish a week on our cars.

By Mr. Loggie:

Q. Could you not get a supply of fresh salmon every day at Newcastle?—A. When we started this dining car service I thought we were going to be on velvet so far as the fish supply was concerned, as we were running through the northern portion of the Province of New Brunswick where all the salmon rivers are. I tried my best to get a regular supply and failed. We would be disappointed so often. Perhaps we would send a telegram to have so many pounds of fish delivered to a dining car on such a train at such a point. In place of getting the fish we would receive a telegram saying: "Very sorry, have no fish to-day." Our dining car would be out on the road without any fish at all; and experience has taught me that if we are going to be sure of a supply we have got to have our car outfitted to the greatest possible extent before we start the journey.

By Mr. Chisholm (Inverness):

Q. Supplied mainly from Cape Breton?—A. We have had considerable fish from Cape Breton at different times. There was a firm in Truro we used to purchase from. It is rather odd, but we had difficulty in getting fish in Halifax and I used to purchase

it in Truro and had it put on our cars. I found, so far as that source was concerned, the quality was just as good. It came out of the boats at 10 o'clock in the morning, reached Truro at 5 o'clock in the afternoon and we would be getting it next morning in pretty good shape.

By Mr. McCurdy:

Q. Are you responsible for the record of the financial results of operating the dining cars, or is that kept separate?—A. It is kept in the general office.

Q. Is there a record kept showing what it cost to serve meats, eggs, fish, and so on at a particular place?—A. I do not know that I just grasp your meaning.

Q. You have a record showing the actual expense of the cost of the food purchased by you in the raw state?—A. Yes.

Q. And you have the cost of cooking and the cost of service?—A. Yes, and the cost of fuel and water and then the wages.

Q. Now give us the cost of the food, the total cost?—A. I do not know that I can get at that.

Q. How do your expenses compare with the charges on other roads?—A. I think our prices are lower, excepting there may be some articles peculiar to that locality.

Q. And how do your prices compare with the prices at a first-class hotel, like the Chateau Laurier, have you been there?—A. Yes, well, I wish I could get the prices charged at first-class hotels.

By the Chairman:

Q. You think your prices are lower, do you?—A. Oh, yes.

Q. How much do you pay your waiters and staff?—A. Conductors get $90 per month; chefs, $90; second cook, first year, $50, second year, $60; third cook, $30. The waiters start at $30 and run to $45 after the third year; they get an increase each year for three years. The pantrymen get $30.

Q. And they get their board?—A. While on the car, and their lodging.

Q. You have never taken any action with regard to gratuities?—A. With a view of preventing them?

Q. Yes?—A. No, sir. It would be practically a very difficult proposition; I do not know whether you could enforce it or not; people feel they have the right to do as they like with their money, and if they want to give a tip to the porter or to the waiter for any real or fancied service rendered them they will give it, and they will resent any interference.

Witness discharged.

Mr. GEORGE EDWARD SMART called, sworn, and examined.

By the Chairman:

Q. You are connected with the Intercolonial railway, are you?—A. Yes, sir.

Q. How long have you been in the service of that railway?—A. About two years and 8 months.

Q. Before that, what experience had you as a master car builder?—A. I had no experience as a master car builder.

Q. In what service were you?—A. My title was "Divisional Car Foreman" in charge of all the car work for the Canadian Pacific Railway on their Eastern Division.

Q. How long had you been with them?—A. Nine years.

Q. During that time what experience had you had in connection with car building?—A. My duties called for car building and car repairing or re-building.

Q. Are express cars equipped with Krupp wheels, so called?—A. Not Krupp wheels, steel wheels.

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Q. Similar to the Krupp, are they not?—A. They are equal.

Q. How are they heated, by stoves or coils?—A. By steam coils.

Q. Are those coils placed in the center or at the end of the cars?—A. In the center of the cars.

Q. Would it be possible to partition off one end of the car and have it chilled—the other portion being heated by the coils—without displacing any of the heating apparatus?—A. It would. It would not interfere with the heating apparatus, it would interfere with the construction and safety of the car.

Q. In what way would it interfere with the construction and safety of the car?—A. To insulate it would add about 8,000 pounds to that end of the car.

Q. Have you made an estimate of the quantity of material that would go into it?—A. I base my estimate on the weight of the baggage car which is only three thicknesses, as against the refrigerator car, which is six.

Q. I am not asking you in regard to the refrigerator car at present. What I am asking is, would it be possible to partition off a portion of the express car, leaving the heating apparatus in the larger portion of it and having the other part chilled?—A. The evidence above was given on the assumption that you were referring to refrigerator cars, at one end.

Q. No, we will take that up later. In the meantime, let me ask, would it be practical to do as I have explained without putting the car out of business or making it unsafe?—A. The car could be partitioned off, but I don't believe it would be easy for the men to operate.

Q. Well, we have not reached that stage yet. Do not perplex your mind with those problems until we get around to them. You say it could be done?—A. Oh yes, it could be done. There is no question about partitioning off the end of a car. The end of a car could be partitioned off.

Q. Would the weight of the partition be such as to render the operation of the car unsafe?—A. Oh no.

Q. Would it be possible to add another door so as to enter the car from that end?—A. Yes.

Q. This would not necessitate the changing of any of the heating apparatus at all?—A. Not for one end of the car clear of the doorways.

Q. How many feet of space on the floor of that car would you get running lengthwise?—A. (After making calculation) About 13 feet.

Q. How many feet would that leave in the larger portion of the car for general express purposes?—A. The car is 60 feet long.

Q. Yes?—A. The space between the doorways on the baggage car in operation on the Intercolonial is 24 feet 9 inches.

By Mr. Sinclair:

Q. What do you mean by 15 feet?—A. 13 feet is what I said, clear of the doorways. I will just describe how it figures out.

Q. Is that in length?—A. In length, sir. I am just describing the length.

Q. Not square feet?—A. No sir, lineal feet.

Q. What is the width?—A. The width is about 9 feet. To be exact, 9 feet 3 inches.

Q. Then the space on the floor is 13 feet one way by 9 the other?—A. Yes. That would be less the partition, of course.

By the Chairman:

Q. You are speaking of express cars?—A. Baggage and express cars have the same floor space. The doorways are 4 feet 5 inches, two on each side of the car. That would give you a total space from outside to outside of 33 feet 7 inches. Take that away from 60 feet, would allow 26 feet 5 inches to be divided between each end of the car. That is the way I make my estimate of 13 feet 2 inches.

By Mr. Sinclair:

Q. You do not propose to have a cold storage place at each end?—A. No, the question was asked how much space would I have if I partitioned off one end of the car. Here is the idea, I will make a little diagram for you. (Witness draws diagram). Now, there is the idea. There are the doors (illustrating). It is 24 feet 9 inches between these doors. That is a 4 feet 5 inch door. That would give you 13 feet 2 inches.

By the Chairman:

Q. Where is your heating apparatus?—A. The heating apparatus is here. (Indicating).

By Mr. Sinclair:

Q. Where would you put your partition?—A. The partition would come across here, sir (illustrating).

By the Chairman:

Q. Would it be possible to partition off here so that the side doors would be included in the area so formed?—A. Yes, it is possible to put the partition there across the centre near side door.

Q. That would not interfere with the heating apparatus?—A. No, that would not interfere with the heating apparatus

By Mr. Loggie:

Q. Has the heating apparatus in the old cars been installed in the same way?—A. Yes, I have changed a number of the cars in that way.

Q. It used to be otherwise?—A. Yes, the cars you refer to with the heating in the end are combination cars. That is, the style of car you are speaking of now is merely a combination car, or a car with a partition in the center. We have a number of cars running that way; one end can be used as a baggage car and the other end as a mail car.

By the Chairman:

Q. Are they both heated?—A. Both heated.

Q. Speaking of express cars, in their ordinary operation they are all heated?—A. They are all heated.

Q. Will you make a diagram showing the car partitioned off and hand it to the reporter?—A. Yes, sir.

DIAGRAM of Express Car now in service on Canadian Government Railways.

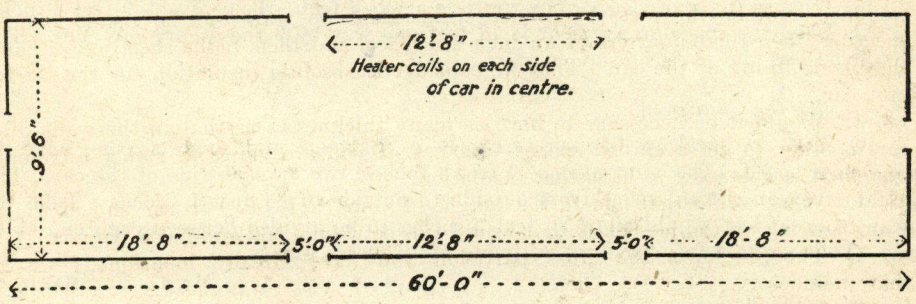

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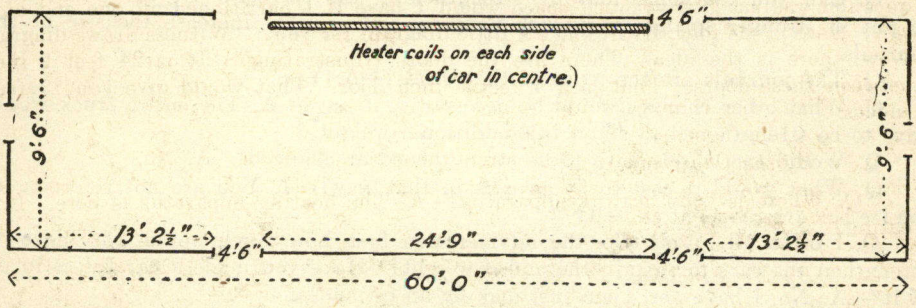
DIAGRAM of Four new Baggage Cars built at Moncton Shop, 1916, for Canadian Government Railways.



Q. What would be the weight of such a partition when put up?—A. A partition across there? (indicating).

Q. Yes, in a car of three thicknesses.—A. It would be, I should say, about 750 pounds.

Q. For what?—A. For the three thicknesses of wood across here (indicating), and the doors.

Q. You mean it would weigh that much?—A. Yes

By the Chairman:

Q. What would the additional weight be to sheet that inside with some non-heat-conducting substance? What would you advise that it should be sheeted with in order to keep out the heat of the sun?—A. An air space is the best, sheath it over with an entire lining inside and an inch and a quarter air space. That is the best insulation you can get.

Mr. SINCLAIR: You are not thinking of ice now?

The CHAIRMAN: No, I thought of taking it up this way first and then we can take up the question of ice.

By the Chairman:

Q. You would leave an air space of how much?—A. Three-quarters to one inch.

Q. And a wooden sheeting?—A. Yes, the inside of the car is sheeted up on the inside smooth, and if you want further insulation you have just simply to put a nailing strip to separate the additional sheathing from the present inside sheeting.

Q. But that car would warm in summertime, would it not?—A. Yes, it would.

Q. What would you recommend if you are going to have refrigeration in each compartment, with ice?—A. We would have to put hair felt of a certain thickness. The ordinary refrigerator car starts on the outside with a 13/16th sheeting, then we have next a half inch of hair felt all around the car, nailed on, just the same as you put paper on the wall; then we have one thickness of three inch sheeting, then we have the framing of the car, two inch posts and braces, this is to strengthen the car. Then we have another thickness of ⅞th sheeting—then we start on the inside with ⅞th sheeting, then three-quarters of an inch air space, and then 3/16ths sheeting. That is the inside lining of the car. That we consider is absolute insulation for the refrigerator car.

Q. Would it be necessary to have as many thicknesses as that in the walls of the car in order to get a chilled space?—A. Yes, if you are going to run a refrigerator system it is necessary to have that insulation.

Q. What would that add to the weight of your car?—A. For one end of the car, I am figuring on the ice boxes, that would run between 4,500 and 5,000 pounds.

Q. That includes the cross partition you have already mentioned?—A. Yes, that includes it.

Q. Would that additional weight interfere with the operation of the car?—A. It would be too much weight to that end.

Q. Can you overcome that by strengthening the springs?—A. We would have to put in stronger springs and truck hangers, and possibly increase the size of the journals.

Q. The journals are the axles of the wheels?—A. Yes.

Q. What other changes would be necessaray, if any?—A. The entire truck would have to be strengthened to stand this additional weight.

Q. Would the wheels have to be strengthened or changed?—A. No.

Q. What would it cost to fit up cars in that way?—A. You are not referring to the ice box arrangement as well?

Q. I mean all. You take the refrigeration first, how much would you have to strengthen the cars to sustain the added weight? Have you made a careful estimate of it?—A. No, I have not, I am just making an estimate now.

Q. Perhaps you would like to have a little time in order to more carefully prepare your estimate? With these changes you have spoken of it would be perfectly safe to operate these cars on the ordinary express train or would it not?—A. No, I would not advocate a car with that additional weight in one end; in addition to the weight of your car you will have to figure in the weight of your ice.

Q. What would that be?—A. Chunk ice, like we have in a refrigerator car, one end of the car would weigh say 3,450 pounds; if it were crushed ice it would run 5,250 pounds.

Q. That is for the ice?—A. Yes.

By Mr. Sinclair:

Q. You mean for the whole car?—A. No, one end of the car; our ordinary refrigerators for the ice boxes both ends of the car take 6,970 pounds.

By Mr. Loggie:

Q. What would be the size of the ice boxes?—A. I can give you the size.

Q. Like the ones you have on the ordinary refrigerator cars; now we do not want such big boxes at all.—A. I am basing these figures on the refrigerator car ice boxes.

By the Chairman:

Q. I asked you whether it would be safe to operate these cars with that added weight?—A. And I answered that the weight being at one end of the car I don't think it would be.

Q. What is the total added weight by reason of the sheeting and insulation?—A. I base the other figures at 4,500.

Q. What is about the ordinary carrying capacity of one of those express cars such as the one you have under consideration?—A. Our largest express car is 45,000 pounds.

Q. 45,000 pounds is what it carries?—A. That is the capacity; the weight of the car varies from 77,000 to 89,000 pounds.

Q. If you had the other end of this car loaded with express matter would it not balance?—A. Yes, it would balance if you could distribute your load evenly.

Q. It would simply be a matter of shifting the load from the centre of the car towards the other end, would it not?—A. Yes.

Q. If the car were properly loaded there would be no objection to its being operated from the point of safety?—A. Not when under load, but the question would come in under the light haul.

Q. Is it customary when cars are being hauled and they are not fully loaded to distribute the load over the floor of the whole car?—A. Yes, our instructions are printed and posted in many of the cars, "Load to be evenly distributed over the floor of the car."

Q. Do you think the weight of the partition and the insulation itself would be sufficient to interfere with the operation of the car under ordinary circumstances? I am not speaking now of the weight of the express matter, but of this 4,500 pounds?—A. No, the 4,500 pounds would not interfere with it.

Q. So, then, it merely becomes a question of the car being properly loaded?—A. The car being operated with a load with the additional weight of ice in the car.

By Mr. Kyte:

Q. What would be the additional weight of ice? You made a statement some time ago which is disputed by Mr. Loggie.

Mr. LOGGIE: It is not disputed by me. It did not require, in my judgment, ice boxes that are alike, such as are in a refrigerator car. I wanted to ask further in regard to that.

By Mr. Loggie:

Q. What I had in mind was not the elaborate ice box you have in a refrigerator car, but an ice box on either side of the door, about 9 inches wide. I should think, perhaps, they would hold a thousand pounds of ice, which would fill up both ice boxes. I do not know whether you have seen an ordinary ice freezer?—A. Yes.

Q. You know the chambers where you put the ice are not wider than about 9 inches, and they just put the ice down 9 inches. So far as I understand, all that would be required would be a narrow, galvanized chamber put on either side of the door, and filled up with ice, say, at Halifax, and the fish would reach Montreal in perfect condition. The ice, of course, would be largely melted down, but it would throw out quite sufficient— A. Refrigeration.

Q. For the summer season. In the winter season you do not need it at all unless it happens to be warm weather. All you have to do is to open that door and let the cold air come in, and if you keep it tight, away from the heat, it will hold the cold itself.—A. That depends on the number of times you open up this door. If you are going to make local shipments it would not.

Q. I know. There is not such a quantity of fish as that.—A. We have orders now from our shippers of fish sent in standard refrigerator cars, to ice at all regular icing stations.

Q. I know that. However, this is not full carloads. This is a different situation altogether. I do not think that you would find that these would require the same amount of refrigeration at all. When fish is shipped by express, it leaves Halifax in the morning on the Ocean Limited, and it is in Montreal the next morning; and if it is shipped from Newcastle it leaves at 4 o'clock in the afternoon and it is in Montreal the next morning. All we require to do, if I understand the matter correctly, would be, in the summer season, to have a narrow ice chamber there (indicating), and the ice could be put in, perhaps from the roof of the car, and the chambers would be not more than about 10 inches wide by whatever the length might be across the end of the car. All we require is to have some cork, or some insulating paper, nailed against that, and then the air strip; and then another insulator. In making the partition, perhaps it would be as well— A. Three thicknesses.

Q. Two air spaces; perhaps one would be plenty, I think, by having the insulated paper on either side; and I do not see where the weight should be very much if it were done that way?—A. I am basing my figures on a standard insulation for a refrigerator car.

Q. As far as I understand the situation, that is not needed in this case. What we want to do is to have a portion of the car set aside for frozen fish in the winter season, so that the heat where the messenger is—and he must have a certain temperature to live—will not come in where the fish are; because you put frozen fish in there, and in 24 hours, if the temperature is so and so, why the fish will commence to deteriorate; but you surely could stop that by having this partition there, insulated as

I told you, not the same as if you were going to keep it up to a certain temperature as when frozen for export to London, because these goods are all to be taken out of the cars when they reach Montreal. They do not go farther than Montreal in any case?—A. We have some passenger refrigerator cars built for service for points on Intercolonial west of Montreal; but I do not think the Grand Trunk have hauled them west of Montreal. We have them especially for this business you are referring to, and also for the New England trade.

Q. I see. But, as a rule, the cars do not go beyond Montreal, the goods have to be taken out of the cars there?—A. Not that I am aware of. There may be a few individual shipments which went west.

Q. I do not think they do. Really, I think you are quite right when you say the goods are all transferred at Montreal and sent to other points. If it were done as I have suggested, what would be the extra cost for this partition and for this insulator, which would be a thin board?—A. We could get that done with the small ice-box you refer to for $1,000.

Q. On each side of the door?—A. Yes.

Q. That would be my judgment of it.—A. I could not say from experience what service you could get from that means of insulation.

Q. Well, I have been through the mill.—A. With our present insulation, with orders from our shippers to ice at all regular icing stations——

Mr. Loggie: That is frozen fish, sent especially in the summer season and we give you instructions to ice at Campbellton, Chaudière, and at Point St. Charles.

The Chairman: Is that by express or freight?

Mr. Loggie: That is by freight.

By the Chairman:

Q. What would it cost to put in the insulation Mr. Loggie has spoken of?—A. I would say, roughly, about a thousand dollars.

Q. What would it cost for the more complete system you suggested before?—A. I would say about two thousand dollars.

Q. How many express cars have you on the Intercolonial?—A. (Consults note-book). Of course, all our baggage cars we call baggage or express cars. The total is 69, and with the four cars I am building now in the shop, to be ready this month, the number will be 73.

Q. Having regard to the volume of express business that you do on the Intercolonial, would it not be perfectly convenient to partition off sections in, say, half a dozen of these cars to make a section for the carriage of fish?—A. Is that question intended——

Q. Would you not have sufficient equipment left to handle the express traffic?—A. No, we are short of baggage and express cars now.

Q. You must take into consideration the fact that you are now carrying a certain quantity of fish, and that you would then be carrying an increased quantity?—A. If you partitioned off a part of the car, you could not use that car on a main line train in the ordinary express and baggage car service.

Q. Why not?—A. Because it would not be convenient to handle express in the end that you have partitioned off for fish.

Q. There is fish coming up almost every day by express, is there not?—A. Yes, in limited quantities.

Q. And it has to go in on the regular floor space of your express car?—A. Yes. But ordinary express is loaded in the same end as the fish, unless, of course, there is sufficient fish to take up the entire space at one end of the car.

Q. Well, you would only cut off 13 feet by your partition, and this space is usually occupied by fish in any event?—A. In certain cases. There are days we do not ship fish at all.

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Q. What is the floor space that is usually occupied by fish?—A. I could not give you that information because I am not familiar with the total shipments of different commodities in the car.

Q. You say it would not be convenient to change as many as six cars?—A. My answer is based on this: that a car when sub-divided for certain service is only fit for that service.

Q. How many cars do you say you could spare for that service? Let us see if this service is worth anything to the Intercolonial. It does not appear according to their evidence to be worth anything to the other railways, although they appear very diligent in getting the business. How many cars could you spare for this fish service?—A. The number of cars which could be spared is a transportation proposition. My business is merely to build cars, or make such changes as are necessary in cars, on the authority of the transportation department.

Q. Then am I right in assuming that when you said you could not spare six cars for this business you were really speaking of something outside your province altogether?—A. Yes.

Mr. LOGGIE: Pardon me just there. I do not seem to have the same ideas that this gentleman has.

The CHAIRMAN: I do not think any of the Committee have.

By Mr. Loggie:

Q. Regarding the necessity of having this car set apart for the fish trade: My idea is that on every train with an express or baggage car coming to Montreal there should be one of these cars, and that that car be used for all express work. The witness said a minute ago he did not think it could be used for other express shipments and that there were some days when there was no fish offering for shipment. I think you said that, did you not?—A. Yes.

Q. Is there any reason why on the ordinary express car running from Halifax to Montreal, the space should not be available for commodities which would not easily spoil? Of course the door could be left open for ventilation purposes.—A. It would not be advisable to leave the door open. If you did, sparks from the engine would enter.

Q. Of course I do not mean when the car is going. I mean when it is not moving. —A. I will tell you on what I am basing this argument. You gentlemen are talking about a car with a partition across it. The Canadian Pacific have a car similar to what you are speaking of between St. John and Montreal. One end of that car is partitioned straight across with no access from the body of the car, it has two side doors. They use that end of car exclusively for fish. I am talking now of some three years ago; I do not know whether it is still in operation between St. John and Montreal. On the return trip they seldom make use of that car unless it is for any rough express matter, or occasionally for oversea mail.

By Mr. Sinclair:

Q. Could not the car be washed to get rid of any fishy odour?—A. It is hard to get the odour of fish out of the car, and commodities like fruits or butter are very susceptible to any such odour.

Q. In the case of ocean-going vessels, after each voyage they wash out the ship before they put a fresh lot of goods in. They do not have any trouble in that regard— A. The shipment of fruits, butter, milk, and such commodities as that has to be done very carefully. You could not ship them in a car used for hauling fish.

By Mr. Loggie:

Q. But there are certain commodities which could be put in one end of the car going to Montreal without any damage resulting to it?—A. As far as the railways are concerned they have no control over that car. It is an express car and that is the express company's risk.

Q. It is the express company's business how they pack their goods?—A. For the reason I have given I would not like to answer that question. I have nothing to do with the transportation matter.

Q. Have you a baggage and express car on each train? For example on the Ocean Limited?—A. Yes, they have express cars and baggage cars.

Q. How many cars have you altogether?—A. 73.

Q. How many cars would it require to put one car on the train coming north every day?—A. It takes 3 sets of cars for each train with a guard car at each end.

Q. How many cars are required in order to operate one car of this class on one train daily during the year?—A. Three cars. It requires three sets of cars to run the Ocean Limited.

Q. I have not made myself clear yet. I want to know how many cars you would need to have fixed in the way I suggest so that you would have one car a day on either the Maritime Express or the Ocean Limited?—A. I am saying it would require three cars for each train. It requires three sets of cars to run the Ocean Limited: that is, from the time the Ocean Limited starts out from Halifax, gets through to Montreal and returns, it requires three sets of cars. Therefore if you want one car, fixed up in the way you speak of, run on the Ocean Limited each day you require three cars to be equipped.

Q. Yes, but three cars would not suffice for that work continuing right along?—A. Yes, three cars for the actual time run. Then you would need to have a guard car at each end of the train in case of a breakdown, which really makes five cars.

Q. Then you mean to say we could inaugurate that service by having three cars?—A. Yes, and in addition two guard cars in case of a breakdown.

Q. How much would it cost to fix up a car in the way I have suggested?—A. I have already said it would cost $1,000.

Q. And to fix up the required number of cars would represent an investment of only $6,000?—A. Yes, sir.

Q. Well, I think that is worth having, because in the winter season as it is now we put frozen fish in these cars without any partitions, and before they reach Montreal they come to the point where they commence to deteriorate. That is going on during the whole winter season.—A. Of course you would assume the responsibility for fish put in a car fixed up such as you have described; that is not my way of fixing up a car for handling fish.

Q. I would not agree to it at all for freight; that is to my mind a different proposition.—A. You mean to put fish in your car, in a box car not properly insulated, but fixed as you have described it.

By Mr. Sinclair

Q. Have you seen that car on the Canadian Pacific Railway that you spoke about?—A. Yes.

Q. Did it have cold storage?—A. No, sir, it was an ordinary baggage car with a partition put across it.

Q. Do you know how it worked? Did the fish arrive in good condition?—A. I believe it was only for the winter movement of fish when the weather was cold.

Q. And they use a refrigerator car for the summer?—A. Yes, similar to what we have on our own lines.

Q. Have you ever seen a refrigerator car that could be opened at the stations along the way for small packages?—A. I have never seen a refrigerator car used for local service in the way you describe. Of course, every time you open the door the cold air escapes from the car, but I am not an expert on refrigeration.

Q. Would you say that it would be feasible to build a car that would permit of its being opened at a few places along the line to take in and distribute fish?—A. Of course it could be built.

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Q. I am talking now of a refrigerator car.—A. For an express refrigerator car, as far as an express refrigerator car is concerned, I believe it could be opened at two or three places along the line between Mulgrave and Halifax; that is, as far as affecting the condition of the contents of the car goes. Of course it depends upon the length of time that it takes. If the doors were opened and closed promptly I do not think it would interfere greatly.

Q. You have never seen a refrigerator car used for that purpose?—A. No, sir.

Q. How many refrigerator cars have you on the Intercolonial ?—A. There are 25 express refrigerator cars.

Q. What do you mean by express refrigerator cars?—A. Refrigerator cars built for passenger train service, with steel wheels.

Q. How many cars have you without the steel wheels?—A. There are 191 altogether, less 25, would be 166.

Q. Are you increasing the rolling stock of that kind, the refrigerator car?—A. It is under consideration.

Q. You have sufficient cars now for your requirements, have you?—A. We have for our own requirements, but not for the Transcontinental.

Q. Do you build them at Moncton?—A. We build express refrigerator cars at Moncton, yes.

Q. If it were decided to build cars such as we are proposing, could you build them at Moncton?—A. Yes, we can build any car at Moncton.

By Mr. Loggie:

Q. You are building four express cars there now, are you not?—A. Yes.

Q. If instructions were given, could you not build these four new cars with one end partitioned off and insulated in the way that has been suggested here, providing a narrow ice chamber across one end of the car between the doors?—A. The four cars that I am building at Moncton are not of the same dimensions as those I have described to you.

Q. Are they larger or smaller?—A. The end space is larger. I have shortened up the distance between the doors for the purpose of suiting the express cars to the purpose you are alluding to.

Q. Would that make any difference?—A. It would change the situation; the distance between the doors in the four cars building at Moncton is approximately 12 feet 8, with a much larger end, and the other cars are 24 feet.

Q. You need not take all that end; you could partition off 14 feet?—A. But you were talking about allowing the side doors to remain in the closed end.

Q. I do not think that is at all necessary. I think it should be so that the servants of the express company could go in from the body of the car. Of course, I quite realize if it were a side door it might make it more convenient for putting fish in, and one of the strong objections to this business is that the packages are very heavy and very difficult to handle. But there is no other reason why these four cars could not be divided this way?—A. They are about completed, ready for service this month.

Q. Then it would be practically the same as starting on an old car to do that?—A. Yes.

By Mr. Sinclair:

Q. If you made the car longer would that help in the difficulty about one end being heavy?—A. No, sir.

Q. If you made one ice chamber and brought the centre of gravity to a different place?—A. If you make one end heavier you naturally increase the weight on that truck at the end of the car. The refrigerator car is one of the most difficult cars we have to handle, because the centre of gravity is higher, and one of the objections to handling the refrigerator car on a fast train is its liability to jump the track. We

have overcome that trouble on the express refrigerating cars by lengthening out the wheel base on the truck.

Q. There are no express refrigerator cars at all now, I understand?—A. Oh, yes; we have 25 of them.

Q. But you do not use them on express trains?—A. Yes.

Q. We were told they are not in use on those trains?—A. They were built for that service, and they were used in that service. The reason they are not used is that there are no shipments requiring them. I saw one being used the other day on the train. I could not say what it was loaded with, but it was hauled on one of our passenger trains.

By Mr. Loggie:

Q. They use them on freight trains, I suppose?—A. No; it was an express train I saw it on.

By Mr. Sinclair:

Q. Where was it bound for?—A. Montreal.

Q. We have been told by the railway people who have been examined here, that they do not use them at all now?—A. Understand, I do not know what was in the car. But I saw a refrigerator car on one of our passenger trains. They occasionally use them for mail purposes. We have 25 express refrigerator cars which can run on any passenger train.

Q. The point is, do you think you could design a car which would overcome the difficulty regarding the centre of gravity?—A. This car I speak of now has been redesigned to meet that condition, and we have never had any trouble with that car since it was redesigned. And, furthermore, the Grand Trunk railway will accept that car from us and haul it on passenger trains, not including the International Limited, but on any local train between Toronto and Montreal. It also comes under the rules of the Interstate Commerce Commission. The New York Central will handle it on certain of their passenger trains. It is equipped with steam and signal pipe, steel buffer on each end of car and long wheel base trucks.

Q. What does it cost?—A. About $1,950.

By Mr. Loggie:

Q. If the ice chambers were put on the inside of the partition instead of at the end of the car, it would distribute the weight over the car more perfectly, and make a little less risk as to too much weight in one end of the car.—A. It is not good to have the ice box in the centre; you want it at the end so as to get a better circulation of air.

Q. Why can you not have the circulation of air if you put it here (indicating) as well? I do not see any reason for that. Either way will do as far as I can see. You could get the cold air from that chamber, or you could get it from the roof. How will the weight of the ice be 15 feet back of the car if that is important?—A. No, it is not very important.

Q. You think it is not for all the weight it would be? Either way would do. You say that the new cars you are building are too far ahead to experiment with? —A. Yes. The body is completed. I am waiting now for steel for the springs.

By the Chairman:

Q. What did you say the cost of that car was?—A. Express refrigerator, $1,950.

Q. They are cheap.—A. That is the price of the car.

The CHAIRMAN: When you return home, you might send the Secretary of the Committee a carefully prepared statement of the cost of changing the equipment in both these ways.

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The WITNESS: That will be in about two weeks. I am going to Buffalo before I return home.

Witness discharged.

The CHAIRMAN: In compliance with the request of the committee, Mr. J. Lambert Payne has prepared and forwarded the following information:—

DEPARTMENT OF RAILWAYS AND CANALS (STATISTICAL BRANCH).

Equipment of Express Companies in the United States:—

	Value.
Real estate, buildings, etc.	$16,446,269
Cars	603,787
Office equipment	4,470,759
Horses	3,849,555
Vehicles	6,708,173
Stable equipment	761,395
Transportation equipment	889,204
Total	$33,994,114

The cars referred to in the foregoing statement numbered 155 and were owned by Wells Fargo and Co. All other express cars in use in the United States were owned by the railways.

Committee adjourned.

HOUSE OF COMMONS,
ROOM No. 301,
WEDNESDAY, April 5, 1916.

The Committee met at 11 o'clock, a.m., the Chairman, Mr. Jameson, presiding.

Mr. JOHN J. COWIE, called, sworn and examined.

By Mr. Kyte:

Q. How long have you been employed by the Department of Fisheries, Mr. Cowie? —A. I came out first in 1904.

Q. You were engaged in the Fisheries in Scotland, I suppose, before you came here?—A. Yes. I was engaged here temporarily from 1904 up to 1908, I think it was.

Q. You have paid some attention, I think, to what is known as the Scotch method of curing herring in this country?—A. Yes.

Q. Is that method being employed by fishermen in the Maritime Provinces at the present time?—A. Not until last year. In the first place it began at Goldborough, in Guysborough county. Messrs. Giffen, of Goldborough, in 1914, when I was holding meetings in connection with the Fish Inspection Act, consulted me with a view to going into that business owing to the fact that supplies were apt to be very limited from Europe to the United States. I discussed the thing with them, found a practical cooper and curer and sent him to them. They went into the business and did very well. That was the first of it. Then a firm from Philadelphia, towards the end of August last year came down to Woods Harbour, N.S.

Q. In Shelbourne county?—A. Yes. Those men started curing there. Then Messrs. Boak, of Chicago, sent a man down to Nova Scotia to pick up as many herring as possible cured in that way and that induced some others to go into the industry. I might say that a number of people cured a few barrels here and there, and did very well, with nothing but the instructions that we printed on the back of the Fish Inspection Act to guide them. Of course the whole thing was sort of sprung upon them last year owing to the extreme scarcity of fish in the United States from Europe.

Q. Did the Giffens have an expert to look after the curing of herring?—A. Yes.

Q. Who was he?—A. He was a man who had been living in Halifax for some three or four years.

Q. He had formerly been engaged in the business in Scotland, had he?—A. Yes, I met him in Halifax, interviewed him and satisfied myself that he was perfectly capable before recommending him to Messrs. Giffen.

Q. Have you any information as to what these herrings packed by the Giffens brought in the United States market?—A. Yes, the best of them brought $15 a barrel. But while the best of our Nova Scotia herring were making $15 a barrel, the best of the Scotch herring were making $20 to $30 a barrel.

By Mr. Maclean (Queens, P.E.I.):

Q. How do you account for that?—A. I don't know but what you might call it prejudice on the part of the Jewish people who use those herring in the United States. They imagine that the quality of the fish from Holland and Great Britain is better. It may be that through the means of our Inspection Act and by improving the standard of curing we will be able to largely break down that prejudice.

By Mr. Kyte:

Q. Has any market developed in Canada for these expensive herring, so far as you know?—A. In the course of the last month one firm in Montreal intimated to the Department that they had booked orders for several thousands of barrels to be cured in Canada.

Q. That is they had received orders from retail dealers for them?—A. Yes, they had been supplying customers with Scotch herring previously, and they got some Newfoundland herring last year. This year they have decided to supply Canadian herring entirely, which means several thousands of barrels.

Q. Has there been any considerable consumption of Scotch-cured herring in Canada heretofore?—A. Just amongst the Jewish people. This trade is confined to the Jewish people both in Canada and the United States.

Q. How do you account for that?—A. I don't know. They seem to have been made to eat herring cured in that way.

Q. Do they pay high prices for them?—A. They pay enormous prices. Another peculiarity about the trade is that the Jewish people eat these herring uncooked. They don't boil them at all, but eat them raw out of the barrel. That is one of the reasons why such care has to be exercised in the curing of them.

Q. Is the price likely to be maintained, judging by the prevailing market price at the present time?—A. No, not after the war conditions are removed.

Q. As regards the local market at all events, the price will depend upon the supply?—A. Yes, but I was referring, of course to the United States market.

Q. What do Scotch-cured herring sell for in Canada at the present time, and what has the price been for some years past?—A. Well the imported Scotch herring has sold for from $10 to $12 a barrel in ordinary years.

Q. And they are sold in the United States for $20 a barrel?—A. That was only last year under war conditions. In ordinary years they would not bring more than about $12 or $14 a barrel.

Q. Would not that be a prohibitive price for general consumption?—A. Not amongst the Jewish people.

Q. I am speaking of herring for general consumption.—A. No, I do not think so. Any one who is fond of salt herring would not grudge paying say $5 or $6 for half a barrel of really good fish, if the quality would be such that they could be consumed from top to bottom of the barrel.

By Mr. Loggie:

Q. You are giving the maximum rather than the minimum price?—A. To which do you refer?

Q. You said that in New York market the price was $15 a barrel. That is for the best class of herring, is it not?—A. The best Canadian cured and the best Scotch cured.

Q. There was a large quantity of herring went on to the New York market as Scotch-cured herring and only brought $7 a barrel.—A. Yes, a good many were not sold at all.

By Mr. Kyte:

Q. Are herring cured in Nova Scotia by the Scotch method, in your judgment, able to hold their own against the real Scotch-cured herring?—A. Well, they should if they are the right quality. Of course, the quality of the fish must be there to begin with For instance, last year a great many large and coarse fish were cured in Nova Scotia and were found to be unsaleable altogether.

Q. Cured by the Scotch method?—A. Cured by the Scotch method.

Q. What, in your judgment, are the essentials required to make a really good herring according to the Scotch method of treatment?—A. In the summer time the

herring should be taken probably a couple of weeks before they go close in to the shore. When they go close in to the shore they are ready to deposit their spawn and not in the best condition.

Q. They should be taken when they are out in deep water?—A. Yes, out in deep water.

By Mr. Maclean (Queens, P.E.I.):

Q. That would be out in the Gulf?—A. Yes.

Q. When the herring come in to the Straits of Northumberland it would be too near the spawning season?—A. I am referring particularly to the summer herring. The spring herring are all caught close inshore. It is the medium-sized, plump fish that is chiefly wanted. Now, the net usually used by our fishermen is a little too wide in the mesh for catching the particular fish suitable for this market. I have been trying by various means to get the fishermen to use smaller meshed nets, in order to catch the plump medium-sized fish full of melt or roe.

By Mr. Kyte:

Q. In the Atlantic waters on the southern side of Nova Scotia the size of the herring varies at different points?—A. Yes.

Q. You know that a year ago last summer the run of herring was very small all through?—A. Yes.

Q. Would those herring have been suitable for curing by the Scotch method?—A. Yes, as long as they are under 13 inches in extreme length they are all right.

Q. You are familiar with fishing conditions in Nova Scotia?—A. Yes.

Q. During what length of time are those herring to be caught on the Nova Scotia coast?—A. I should say from the beginning of July till towards the end of August they would be in good condition. After that they begin to spawn and get into poor condition.

Q. Does it cost more to put up a barrel of herring according to the Scotch method than it does to put up a barrel of herring by the ordinary method?—A. In my judgment it costs less, for there is really less work connected with the Scotch method of curing. In the old-fashioned way the fish is split and everything cleaned out, and the fish washed. It really makes an awful mess in addition to involving much more labour. Under the Scotch method less salt is required.

Q. Then it is a cheaper method of curing herring than the old-fashioned method?—A. Yes, the actual process.

Q. Can you understand why it is the fishermen have not adopted that method more generally?—A. One reason is a great many of them have always considered that the fish could not be cured in this way with the melt or roe in them. Of course the curing used to be all done by the fishermen themselves. The merchants on shore could not be induced to try the new method until the war conditions practically drove them into it.

Q. How many seasons did you spend in Nova Scotia in endeavouring to educate the fishermen in this method of curing herring?—A. I spent the seasons of 1904 and 1905 in Nova Scotia, and the seasons of 1906 and 1907 up in the Gulf of St. Lawrence. I think those are the years, but I am speaking from memory.

Q. Did you find that the fishermen took hold of the idea very well?—A. I found them very much prejudiced against that style of curing, as I have already said.

Q. As a matter of fact there were no very marked results following your efforts in that direction?—A. No.

Q. During the years you have named, what methods did you follow in the way of educating the fishermen?—A. Of course we were operating a steamer, drifting, trying to catch the fish in the first place, and we were curing the catches as they came to the shore. The curing operations were done on the shore in local curing places and it was open to any one to come and see what was going on.

Q. Did you get any quantity of herring suitable for Scotch curing at those places? —A. Yes. We caught a lot of herring that were unsuitable as well. We were catching during the spring season, and during the season the herring were spawning. However, in addition to some bad herring we caught quite a number of good herring.

Q. How many barrels did you put up in each of those years?—A. I could not tell you just now from memory.

Q. Was it a considerable number of barrels?—A. Yes. For instance, one season we put up several hundreds at Caraquet.

By Mr. Turgeon:

Q. You put up quite a number at Caraquet?—A. Yes, and several hundred at Grand River on the North side of Baie Chaleur.

By Mr. Kyte:

Q. What about Nova Scotia, did you put up any at Canso?—A. Yes, but we did not get many herring of a suitable class at Canso. We did get some of what I consider to be the very best class of herring that are cured, what are known as Maties, near Canso, off Isaac's Harbour. The few of these that we caught, sold when cured, at $15 a barrel. That was in ordinary times in New York where these fish were sent. Had they been sent there last year, they would no doubt have brought $30 a barrel, because $15 was equivalent in those days to the best price paid for Scotch herrings.

Q. Did you have any difficulty in placing all the herring you put up in the United States market?—A. A lot of herring we put up then would not sell there.

Q. Why not?—A. There was the old prejudice against herring from Newfoundland and Canada Scotch-cured. Then, I said before, we cured a lot of fish in the spring; we cured spawned fish and all kinds of fish, large, coarse fish as well as any good fish that were caught. A lot of them were of course unsaleable, but the idea was to test the market with all kinds of fish taken by this steamer.

Q. And does all our herring caught on the Nova Scotia coast prove acceptable for Scotch herring?—A. Not any more than all the herring caught on the British coast. For instance, it is only a certain class of herring that is acceptable in the United States from Scotland, or Ireland, or the east coast of England. Fish taken, say, in January, on the west coast of Scotland, where there is a big fishing, cannot be sold at all in the United States.

Q. Is the proportion of the total catch of herring in our waters acceptable for Scotch herring in as large a proportion as that caught in Scotch waters?—A. I should say, yes, if we had a fleet of drifters like they have there to go out and catch them. You see we have herring from the sardine size right up to the very coarse size. But it is a matter largely of the size of the mesh of the nets used by the fishermen and the place and time at which they fish.

Q. Would it be necessary for the fishermen to equip themselves with another class of nets in order to get the greatest possible success out of this Scotch-cured herring?—A. Yes, I think so. And I think a great many of them during this coming year will have a smaller mesh net. Many of them in the western end of Nova Scotia are using traps in which they get fish down to the smallest sizes and bring them out alive, with a view of getting the proper size fish for the Scotch-cured market.

By Mr. Loggie:

Q. Do they pay a license fee for that trap?—A. Yes, there is a license.

Q. Do they pay for a license?—A. Yes.

By Mr. Kyte:

Q. The herring not suitable for Scotch curing are marketed in the ordinary way in the local market?—A. Yes, and the West Indies market. There is also a demand in the United States, but at a much lower rate.

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Q. Have you any idea how many barrels of herring were put up by Messrs. Giffen last year?—A. I think 600.

Q. They had no difficulty in disposing of them?—A. Yes, there was some difficulty in selling some, the larger sized ones; but the best ones sold quite readily at $15 a barrel.

Q. Even if the herring were of the larger size, would they bring a better market according to the Scotch curing, than if put up in the ordinary way?—A. Well, I could not just say that they would.

Q. How many barrels were put up at Wood's Harbour last year according to the Scotch method?—A. That Jewish firm from Philadelphia put up altogether about 600 barrels at Wood's Harbour. Then the fish fell off there, and they moved to Clark's Harbour and Cape Negro Island, and they put up between the three places about 2,500 barrels.

Q. Were they all sold readily?—A. No, some were rather lightly cured, and a New York fish merchant told me he found some of them were rather sour; but the bulk of the curing was all right.

Q. What is the condition essential to successfully cure herring according to the Scotch method? What do you say as to the barrel they are to be salted in?—A. This particular trade, as I said before, is entirely with the Jewish people; and they call for a barrel just exactly similar to the barrel they are accustomed to get from Scotland. Instructions have been printed and sent out to people on the coast, in the course of the past winter, telling them exactly what kind of barrel to make for this trade.

Q. Is the barrel recommended by the regulations of the Department suitable for that purpose?—A. Yes. Of course, we have two kinds of barrel we recommend, that is, one is of 22 gallons, and the other of 26⅔ gallons. The 26⅔ gallon barrel as mentioned in the regulations is the one necessary for the Scotch trade.

Q. Have you a description of the barrel there?—A. Yes, sir (produces copy of regulation).

Q. Would you mind reading it so we will get it on the record? That is, a description of the barrel?—A. The capacity of the Scotch barrel and half barrel must be that of the larger size mentioned in Clause 2, Appendix 1, of the Fish Inspection Act, 26⅔ gallons and 13⅓ gallons Imperial measure respectively. Spruce is generally used for this barrel; in fact, it is used entirely in Scotland; and is imported from Sweden. The staves must be 31 inches long, that is of the whole barrel, and they must be 1⅛ inches thick. The half barrel stave must be 24 inches long and ⅞ inches thick; and the heading of the whole barrel must be ¾ of an inch thick, and of the half barrel 1/16 inches thick.

By Mr. Loggie:

Q. Is it necessary that these staves shall be shaped?—A. You mean, sawed by cylinder?

Q. Shaped?—A. Personally, I would rather have them straight, and have the coopers—

Q. It is not necessary to have them hallowed?—A. I would prefer to have them straight, not hallowed at all, and have them well heated trussed, and hammered together. With regard to hooping, it is necessary to have a 2-inch iron hoop on the ends of the whole barrel, and a 1½-inch iron hoop on each end of the half barrel. They should be hooped, both the whole and the half barrels, with three strong wooden hoops on each quarter. That is the size and style of hooping for a Scotch barrel.

By Mr. Kyte:

Q. That is the barrel in common use?—A. Yes. And it is necessary that this barrel should be clean on the outside. When I say it is necessary, I mean this particular trade demands all these things.

Q. Are you sending out instructions now to the fishermen as to the method of curing herring according to the Scotch method?—A. Yes, sir. Of course, the instructions are fully printed at the end of the regulations of the Fish Inspection Act, which has been in their hands since the Act was passed. And meantime there is in the printer's hands a pamphlet containing details and hints as to curing.

Q. Has the Department, in recent years, made any special effort to get the fishermen to go into the Scotch method of curing herring?—A. Not before the passing of this Act.

Q. Was the action of the Giffens in going into this business last year, a suggestion of their own, or was it made to them by the Department?—A. Well, the Giffens people had been communciating with me about going into this business before the war conditions arose, and, of course, they had not gone the length of deciding to employ an expert cooper at that time. But when the war conditions came along, and after discussing the thing with them in the fall of 1914, and they realized the possibilities, they then decided to have this expert cooper which I sent to them.

Q. I think I understood you to say that the consumption of Scotch-cured herring on this side of the water is limited to the Jewish people?—A. Yes, sir.

Q. Is there any prospect of getting a large market for the consumption of Scotch-cured herring in Canada among the other classes of our population?—A. I do not think there is any prospect of a large consumption, because even in the old country, in Scotland and Ireland for instance, where people used to consume quite a lot of salt herring, the consumption has largely fallen away.

Q. Why is that?—A. I do not know.

Q. Is that due to the extra cost as compared to that of the ordinary cured herring?—A. No, it is simply some change in the style of living, I imagine.

Q. Well, in your judgment, is the Scotch-cured herring a very desirable article of food as compared with the herring cured in the ordinary way for people generally?—A. Yes, sir. For one thing, the herring cured in the old way, split, and the body stuffed with salt, is too hard—

Q. And becomes rancid?—A. Yes. It is not so desirable at all in my opinion as the Scotch-cured herring.

Q. Do you see any reason why the consumption of herring, so far as we have a consumption of herring in Canada, should not be of the Scotch-cured class rather than the ordinary cured herring, if the former are better?—A. Well, I do not see any reason why those who eat herring should not have them in the Scotch-cured way.

Q. They should prefer them?—A. I think they should. But, of course, they have never been supplied with them, have never acquired any taste for them.

Q. It costs less to put them up in that way than by the ordinary method?—A. Yes.

Q. Then, for local consumption, among the people who use herring, they would be preferred over the ordinary cure?—A. They should be.

By Mr. Loggie:

Q. How would you prepare them for the table for ordinary English speaking people?—A. The ordinary Anglo-Saxon boils them, of course.

Q. They take the salt out of them by putting them in cold water?—A. Yes, soaking probably about twelve or fourteen hours beforehand, and then boiling them in, perhaps, a couple of waters, and then they are very nice.

Q. How do they compare then with the ordinary cured fish?—A. I should say they would be better. I got a quarter of a barrel this fall from a man in Halifax who had cured some in the Scotch style, and I must say they are as fine a salt herring as I have ever eaten.

By Mr. Kyte:

Q. Has there been any effort to put these Scotch-cured herring upon the local markets in Nova Scotia, Quebec and Ontario?—A. No I don't think so, not outside of the Jewish people.

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Q. The general public have not been apprised of the fact that these herring are available now?—A. Not yet. Of course, for one thing, last year there were not enough herring to supply the Jewish trade, let alone other demands.

Q. Do you not think it would be a good idea now for the Department, inasmuch as it is issuing bulletins of one kind and another on subjects pertaining to the fisheries, to issue bulletins on the subject of Scotch cured herring, and the value of such herring over and above herring cured by the ordinary method? Do you not think the Department should do that in order to, if possible, increase the consumption?—A. Do you mean to advertise the herring cured in this way amongst our own people?

Q. Yes.—A. That certainly would be a good thing.

Q. Publicity of that kind would result in an increased consumption of herring, would it not?—A. I think so.

By Mr. Maclean (Queens, P.E.I.):

Q. Would it not be better to advertise in the newspaper, because pamphlets get into the hands of comparatively few people?

MR. KYTE: It would cost a good deal of money to do that.—A. In that connection I might say that we wrote letters last year to dealers in pickled fish both inland and on the coast, explaining what we were doing, that we were trying to improve the curing, and explaining what the brand would mean to them in the way of guaranteeing that the fish would be up to a certain standard at least.

By Mr. Kyte:

Q. Did you hold meetings for fishermen in Nova Scotia last year for the purpose of explaining to them the purpose of the new Pickled Fish Act?—A. Yes, sir.

Q. If meetings of that kind were held for the purpose of instructing the fishermen as to the advantages of Scotch-cured herring might it not result in the fishermen adopting that method of curing?—A. Yes, although this Scotch curing has largely been taken out of the hands of the fishermen now; it is being taken up by the merchants.

Q. By the fish merchants?—A. Yes, the merchants who buy the fish. Last year, for instance, the fish were being bought fresh from the fishermen. They were very much pleased because it saved them the labour of curing, in addition to the labour of catching, and they were paid more for the fish than they ever got before. Next year, I imagine, there is going to be such a demand for fish cured by this particular method, that the price of fresh fish to the fishermen, at least on the south shore of Nova Scotia, is going to be very much increased.

Q. No doubt you are aware that the consumption of herring is very much restricted by reason of the difficulty the consumer has of getting herring that is properly cured and in good condition?—A. Yes, sir.

Q. If a method of curing were adopted that would guarantee to the purchaser herring in prime condition, would there not be a larger quantity consumed on the market?—A. I think so. There is no doubt, after last year's experience, that many fishermen will cure herring next year in this style for home consumption, because the war conditions have opened their eyes to the possibilities of this trade. Even though they do not export to the United States I think many of them will cure herring for home consumption, judging by the inquiries that have been coming from various parts of the coast for instructions in that kind of curing.

Q. It is possible, is it not, to cure herrings so that out of a lot of 100 half barrels a man might go and select any one of them and be absolutely sure it would be in good condition?—A. Undoubtedly. For instance, take the trade in Great Britain. A buyer, say in Moscow, in the heart of Russia, will send a telegram to a curer on the East coast of Scotland saying: "I want a thousand barrels of Crown Branded fulls" to be delivered within a certain time in Petrograd or some other Baltic port. The buyer does not see those fish. He buys on the strength of the Crown Brand. The fish are

shipped and the transaction is completed on the strength of the Crown Brand alone. The buyer knows that every barrel in that lot of 1,000 will be up to the standard, guaranteed by the brand.

Q. Is it not possible for our fishermen, if they adopt methods such as are recommended now by the Fisheries Department, to cure their herrings so that every barrel or half barrel put on the market will be up to the required standard?—A. Undoubtedly. Not only so, but, as I explained to fishermen at different meetings held on outlying parts of the coast, it would enable them to ship direct to Boston and New York and deal directly with the dealers there.

Q. My judgment is, one of the reasons there is not a greater consumption of herring is the difficulty of getting a barrel out of a job lot which a man can be sure is in good condition.—A. Yes, sir, that is so.

Q. The Pickled Fish Inspection Act has been in operation now for nearly a year, has it not?—A. It was in operation last season, but of course the season only lasts a few months.

Q. Have you any record as to the number of barrels that were inspected last season?—A. I have a memorandum here. Shall I read it?

By Mr. Sinclair:

Q. What was the total number inspected?—A. The total number was 1,328 inspected.

Q. Give us the number by provinces?—A. The particulars are as follows: In the Caraquet district 261 barrels were presented and 259 branded. Two were rejected. Those were all alewives. There were 58 barrels of herring presented, of which 43 were branded and 15 rejected. In the St. John District 899 barrels of alewives were presented. These were all branded. In the Prince Edward Island District 100 barrels of mackerel were presented but were all rejected as not being up to standard. In the County of Halifax 10 barrels of mackerel were presented and branded. There were none presented or branded in Cape Breton Island District.

By Mr. Kyte:

Q. How many of these herring were cured by the Scotch method?—A. There were none Scotch cured.

Q. What was the reason the people who were putting up Scotch cured herring did not submit any for inspection?—A. One reason was the dealers were so anxious to get them last year that they took the herring away before they were in salt the full length of time. For instance, when I was in Halifax in September last year I arranged to go down later and inspect and brand the fish that were being cured in that way, and Mr. Boak, of Chicago, was to take them on condition that they were inspected and branded. Well, Messrs Boak wrote us saying they were so anxious to get the fish in Chicago that they had them made up and shipped before they were ready for branding. We cannot inspect and brand fish unless they have been at least ten days in salt.

Q. How many officers have you got?—A. We had five last year altogether.

Q. Is there a Resident Officer in Nova Scotia?—A. There is one residing at Mahone Bay and one residing at Sydney.

Q. And the fisherman or trader who wishes to brand his herring in any part of Nova Scotia has to apply to one of these officers?—A. Yes.

Q. Do you think it is possible that two officers could do the work if the system were taken advantage of?—A. No, I do not think so if the system were taken advantage of to any great extent.

Q. So you have only two officers in Nova Scotia?—A. Yes. You see the whole thing is voluntary. If the Act were compulsory we would require a large staff of officers. There would then be an altogether different condition of affairs to deal with.

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By Mr. Sinclair:

Q. What do you mean by "compulsory"?—A. To make it compulsory for everyone who cures and brands fish, either mackerel, herring or alewives, to submit them for inspection and the brand.

By Mr. Kyte:

Q. Before they can be marketed?—A. Yes, before they can be marketed. As it is at present the system is voluntary.

By Mr. Sinclair:

Q. If rejected by the Inspector what becomes of them?—A. They would have to take their chance of selling, or otherwise disposing of them, as inferior goods.

Q. What was the cost of the Inspection Bureau last year, the first year of operation?—A. I could not tell you that, Mr. Sinclair.

Q. What salary is paid these officers?—A. They are paid $1,200 a year.

Q. And travelling expenses?—A. Yes.

Q. There are six of them, are there?—A. No, five. I may say that since the 1st February, another officer has been appointed to attend chiefly to the Scotch curing.

Q. What is his name?—A. Mr. Gray.

Q. Of Goldboro?—A. Yes. That is the man I was telling Mr. Kyte about.

By Mr. Kyte:

Q. Did these five officers receive their pay last year?—A. Yes, they are paid monthly I understand.

Q. I thought you said there were only two officers in Nova Scotia?—A. In Nova Scotia, but we have men in other provinces.

By Mr. Maclean (Queens, P.E.I.):

Q. That is, giving instructions?—A. Yes, for instance, we have an officer in Prince Edward Island who did instructional work in the Magdalen Islands in connection with the curing of mackerel.

By Mr. Kyte:

Q. Have you any report from these men of the amount of instruction they give?—A. Yes. There is a form which the officers have to fill out each week telling the Department where they have been and what they have done.

Q. Are they obliged to devote all their time to their duties as inspectors?—A. Yes, sir.

Q. They are obliged to go to any point within their jurisdiction at any time they are asked to inspect fish?—A. Yes, they have all been instructed to keep on the move and keep this thing continually before the fish merchants and fishermen.

Q. As a matter of fact, have they been doing that?—A. Yes.

Q. Have they been all the time on the move instructing the fishermen?—A. Yes, since the month of May last year.

By Mr. Sinclair:

Q. They must have had very poor success in Nova Scotia only to inspect 10 barrels in the year.—A. That is so. Of course it is the old story, a child could lead a horse to the water but twenty men would not be able to make him drink. Another thing is this: the Act was passed in June, 1914. It took some time after that to get the regulations framed, printed and distributed. Then the Act calls for a different type of barrel, a more expensive barrel with a thicker stave, and so forth. As a rule coopers try to get their wood out in the fall of the year for making these barrels, and

a great many of the old style staves and barrels were on hand over the whole coast and that prevented many from taking advantage of the Act last year.

Q. Goldboro was the most active point on the coast last season in the packing of herring?—A. At Woods Harbour and Clarks Harbour there were nearly 3,000 barrels cured.

Q. Then perhaps Goldboro was second in importance?—A. Goldboro was certainly the first place to come into the scheme.

Q. How does it happen that none of the inspectors discovered Goldboro during the season? You say that at some points fish had been sent away before the inspector could get there?—A. Do you mean the Scotch-cured herring?

Q. Yes.—A. For one thing, the inspectors that we had were not qualified last year to inspect Scotch-cured herring. I intended doing that myself.

Q. How long have you been in the employ of the Department?—A. I have already told Mr. Kyte that I came out in 1904 and was temporarily employed until 1908.

Q. You came out in 1904 to conduct an investigation in regard to the Scotch method of curing herring?—A. Yes.

Q. And you have been ever since that date in the employ of the Government?—A. I was only temporarily employed up to 1908. I was just here in the summer time previously to that year.

Q. What was your occupation before you came to Canada?—A. Fish curing.

Q. Where?—A. In Scotland.

Q. What part of Scotland?—A. The Northeast part of Scotland.

Q. What place?—A. Lowsiemouth is the name of the place, but we had curing places at Castle Bay, Stornoway, Stromness, in the Orkneys Islands; Aberdeen and Yarmouth in England.

Q. You were familiar with the business as conducted in Scotland?—A. Yes, sir.

Q. You were in the employ of the Fisheries Branch here for four years?—A. Yes, sir.

Q. Did you tell us that some of the fish you put up were unsaleable?—A. Yes.

Q. How do you explain that?—A. As I explained before, we caught fish in the spring, when they were very poor, and caught fish at the end of the year after they had spawned. They were all cured and shipped to market with a view to testing what would be saleable and what not.

Q. And were some of the fish not saleable because not properly cured?—A. It was not due to the curing, because there are letters from New York merchants on record saying the curing was equal to that of any herring coming from the British Isles.

Q. Would you not know when fish was fit for that market yourself?—A. Yes, speaking generally, by the appearance of the fish.

Q. What proportion of the fish you put up were unsaleable?—A. I could not tell you speaking from memory, but it was quite a large proportion.

Q. And you attribute that to the fact that some of the fish were caught in the wrong season?—A. Yes, and some of the herring that were cured were too large and coarse.

Q. They were all cured under your own supervision?—A. Yes, sir.

Q. You brought the barrels from Scotland?—A. Yes.

Q. And the girls to do the work for you?—A. Yes.

Q. Everything was imported into Canada?—A. Yes.

Q. Did you really succeed in establishing the business anywhere in Canada?—A. No, it was not taken up in Canada at all.

Q. You caught the fish yourself?—A. Yes, sir.

Q. Why didn't you take the fish caught by the fishermen, and show the fishermen how to cure them?—A. The idea was to find out the quality of fish that were off shore.

Q. You could find out the quality of fish by looking at them when they were landed?—A. But then there were none being landed. We could not get any. The fish were being taken at the rocks in anchored nets. That was the reason why the steamer was employed as a drifter.

Q. What did you say the reason was?—A. At present, and at that time, our fishermen fished close into the shore with anchored nets. Now this steamer fished with drift nets off shore with the idea of finding out what the quality of the fish was off shore.

Q. And the quality of the fish off shore was not any better, were they?—A. Yes, some of them were. But then we caught spent fish as well as full fish at the end of the season.

Q. Did you pack them as quickly as you caught them?—A. Yes, when the steamer caught any fish she came into port.

Q. You packed them on shore, and not on board the steamer?—A. Yes, sir. The steamer was simply for catching purposes.

By Mr. Loggie:

Q. What months of the year did you catch fish with the steamer?—A. She was fishing during June, July, August, and into September. We were covering a period in which we caught all classes of fish.

Q. Did you get any during the months of June and July?—A. Where?

Q. In Caraquet Bay?—A. Yes.

Q. Did you get them in July?—A. Yes.

By Mr. Sinclair:

Q. You caught them all summer?—A. We caught them in July about 30 miles off Miscou Point.

By Mr. Loggie:

Q. What size herring were those?—A. They would have been, speaking from memory, about 12 inches, probably.

Q. They would not be the small herring?—A. No, not the small kind you were referring to the other day.

By Mr. Sinclair:

Q. Can you tell us, Mr. Cowie, your own theory of the failure of those experiments? These experiments cost the country a large sum of money, and the result was a disappointment to many of us?—A. For one thing, there was the prejudice against that style of curing on the coast; and, of course, there is the strong prejudice in the market against both Newfoundland and Canadian Scotch cured herring.

By Mr. Loggie:

Q. In addition to that, Mr. Cowie, the principal trouble would be that you did not get the fish. The fish were not there.—A. So far as demonstration purposes were concerned, the few we got should have been sufficient for that.

Mr. LOGGIE: Of course, that does not follow that you could get them.

By Mr. Sinclair:

Q. Of course, we would expect an expert to put nothing on the market that was not first-class.—A. I suppose if I had studied effects, I would not have sent any fish away that I was doubtful of at all; but it was a case of sending all kinds to try and test the market with them.

By Mr. Loggie:

Q. It would not pay a fisherman to go out and find any herring and sell them. If he had a number of fresh fish, it would not pay him to run the risk of curing what herring might be valuable. From the evidence, you can sell these herring fresh at $1 or $2 per barrel, and therefore, it is not practicable to cure them from the standpoint of a fisherman.—A. It would have been last year, and it will be this year on the south shore of Nova Scotia. I am thinking about the whole coast just now. There are some people in Halifax fitting out sailing craft for drifting next summer.

By Mr. Sinclair:

Q. For drifting?—A. Yes.

Q. What is your theory about where the herring spend the winter?—A. I think they just back off shore into deep water.

Q. If you go into deep enough water you think you will find them in winter time?—A. Yes. It will be pretty far off. In the winter time they are not so good, but they would be useful for bait purposes, for instance.

Q. They do not migrate like the mackerel?—A. I do not think so. My own theory with regard to mackerel is pretty much the same as that in regard to herring, that they strike into the shore.

Q. Is that so?—A. I think so. It has never been demonstrated really that they come from the south.

Q. Except that the fishermen in the south get them first.—A. They get them down there first.

Q. They come out at Cape Hatteras first?—A. It is possible that the fish strike into the shore as the summer advances.

Q. If the fishermen went out far enough in the winter time they would get herring?—A. Yes.

Q. Would they be in good condition?—A. Not in as good condition as in summer time. They would be much drier.

Q. What is the experience in the North Sea?—A. There is quite a large winter fishing, but the fish are not pickled and cured for the German and Russian markets, like the summer fish. They are used for kippering and for fresh consumption at home.

Q. You said a special barrel was required for a Scotish pack?—A. Yes, sir.

Q. Where can a man get these barrels?—A. They are being made just now in Nova Scotia in many places.

Q. Do you know any place?—A. Yes, they are being made in Chester, in Clark's Harbour, in Shelburne and at a place on the Bay of Fundy.

Q. But not in eastern Nova Scotia?—A. The Giffens people of course, have been making their own barrels down at Goldboro.

Q. Have you ever seen any of those made at Isaac's Harbour?—A. In the factory there?

Q. Yes?—A. I was in the factory there the fall before last. They have very fine machinery there, and they could certainly produce a first-class barrel, but they were not making them in the proper way at all when I was there. I tried to give them a few hints during the short time I was there as to putting them together.

Q. What was the matter?—A. Of course, they admitted they did not know much about barrel making to begin with, and they seemed to be putting them together too slimly; they were not using enough trussing hoops.

Q. Were they not using the iron hoops?—A. In putting the barrel together we have to use iron hoops for trussing. They were only using one of these trussing hoops on each end of the barrel so that the quarter and bilge of the barrel was not being sufficiently pressed together. The staves would therefore wiggle because they were not put together firmly enough. Of course, I demonstrated to them——

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Q. You pointed that out to them?—A. Yes. I was in the place, but had only a short time there.

Q. Can you make a barrel yourself?—A. Oh, yes.

Q. Mr. Gray is a barrel maker?—A. Yes.

Q. How do you find out whether a barrel is tight or not?—A. The usual method is to bore a little hole in the head and blow into it. First of all they put half a pint of pickle into the barrel before putting the head in. That then assists in the discovery of any leaks that may be in the barrel.

Q. What will happen?—A. The pickle will show.

Q. You put a pint of pickle in the barrel and head it up, and then blow in the hole? What happens then?—A. If there is a leak at all you will see the pickle spout out of this leak or hole.

Q. What do you do then, condemn the barrel?—A. No. If there are any leaks in it we try to make it tight.

Q. How do you make it tight?—A. For instance, if there is a little hole in the edge of the head or the bottom, and you discover it, you simply take the hoops off and put a fleg into the hole. Mr. Loggie knows what I mean by putting a fleg in.

Q. That is the way a fisherman would do it?—A. In the barrel factory in St. John they test them with steam. They put in a steam pipe and subject the barrel to a very severe test. All the barrels made in accordance with the Fish Inspection Act must be tested before being turned out of the cooper's shop.

Q. What do you mean by "drowned" herring?—A. You find that only where fishing is being done with nets near the shore. Mr. Gray was troubled with that last year a good deal at Goldboro. The nets are left out day and night. As a rule the fishermen go out in the morning to overhaul the nets and take the herring out of them if the weather is fine. But if it happens to be a stormy morning they cannot get out, and they may not get out until next day. There will be a lot of herring that had been meshed probably two days previously in the net. These herring have died in the net and they are called drowned herring.

Q. How often should the nets be examined?—A. Every morning. If they miss one morning they should be very careful to pick out the drowned herring. They can very easily tell them because they are soft.

Q. Is there any necessity to go out to the nets twice a day?—A. No, every morning would be quite sufficient.

Q. Suppose a man went out at six o'clock in the morning, took the fish out of his nets and re-set the nets and did not return until six o'clock the next morning. Would the fish caught within the first half of that 24 hours be all right?—A. Yes.

Q. They would not be drowned herring?—A. No. As a rule they do not catch many herring in the daylight, it is chiefly in the dark. When the fisherman gets there in the morning the fish have really not been more than four or five hours in the nets, and some not even that length of time.

Q. Do you think it is not necessary for a man to examine his nets more than once a day?—A. I do not think more frequent examination is necessary. But he should do it once a day at least. If he cannot do that it is necessary for him to be very careful in throwing out these drowned herring. They can easily be detected because they are soft and limp compared with the fresh herring.

Q. That is the way to recognize it?—A. Yes, any one who handles herring can detect them at once.

Q. By feeling them?—A. Yes, also the gills are bleached, whereas in the case of fresh herring the gills are perfectly red.

By Mr. Loggie:

Q. What I am anxious for you to do is to state some plan by which the fishermen can learn an improved method of curing fish. I can hardly say for them to follow your formula because I understand the Atlantic Fisheries Company followed your formula

at Shippigan and they lost all their herring. They did not exactly follow your formula last year.—A. I am afraid not, nor the year before either. I want to say in the first place that the formula is not my formula. It is the formula of the Scottish Fisheries Board.

Q. That is what I meant.—A. I am afraid the people you referred to did not handle the fish properly if they went wrong. There was a Montreal man who did not know much about curing who went to some place in Nova Scotia last year. He took the formula set forth at the end of the Fish Inspection Act, he had nothing else to guide him but that, and he cured his fish according to that formula and did very well. I mean to say, that while one man may go by that formula and do all right, another man may think he is following the same formula and may do all wrong.

Q. What I want to get at particularly is, how long could fish remain in pickle without being injured before they were re-packed?—A. Do you mean in the puncheon?

Q. Yes, in the puncheon?—A. If the pickle is kept strong enough you can keep the fish there as long as you want to. The fish can be perfectly cured in that way, that is the plan followed sometimes in England and in Scotland, and are called re-packs, but the trade prefers fish cured in the package in which they are marketed. They can be cured perfectly in the way you mention, however.

Q. Does one fish lying on top of the other mark it so that it could be told when the fish had been re-packed?—A. Yes, and you can tell by the pickle also.

By Mr. Copp:

Q. What is your position in the Fisheries Department now?—A. I am chiefly responsible for the administration of the Fish Inspection Act. Also for the Act under which is carried out the inspection of fish canneries of various kinds. Then I am also responsible for the statistical work of the department.

Q. When did you take up the statistical work?—A. After those experiments were finished which Mr. Sinclair referred to, I was placed on statistical work.

Q. Are you solely responsible for this work under the Inspection Act?—A. Yes.

Q. To whom do you report?—A. To the Deputy Minister.

Q. Did you make any investigation in regard to the herring industry in any sections of the Maritime Provinces other than what you have told us?—A. You mean when these experiments were being conducted?

Q. Yes. Did you select the points at which you made your experiments yourself, or were you directed by somebody where to go?—A. Myself in consultation with the then officials of the department and the people on the coast.

Q. What do you mean by the people on the coast?—A. Well, the fish merchants, for example.

Q. You did not make a general tour and conduct experiments at each place you stopped at?—A. You mean moving from point to point?

Q. Yes.—A. With the establishment we had we could not very well do that, I mean, with the barrels and paraphernalia we had on the shore. We had to determine on a particular point; then the steamer would fish at various points in the Gulf and off the shore on which we were located. We had to have a fixed point for a certain length of time in order to make tests that would be of value.

Q. From the investigations and the experiments you have made, have you covered sufficient ground to enable you to make up your mind whether Scotch cured herring would be a paying industry in the different parts of the country where these herring are caught?—A. So long as the present conditions continue it will pay any one to cure fish in the proper way, that is in the Scotch method.

Q. Does it require an expensive plant to carry on this work?—A. Not much outlay is needed beyond the cost of the barrels, the salt and the labour. An expensive plant is not required.

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Q. Did you make any investigations along the shores of New Brunswick, south of Caraquet Bay?—A. Do you mean off Kent and Northumberland counties?

Q. Yes.—A. Not particularly in those localities, but we handled the spring herring which run at Shippigan and Caraquet and they are just the same as the spring herring caught off the shores of Northumberland and Kent counties.

Q. The fish that frequent the shores of Northumberland, Kent, Westmorland and Cumberland counties would be practically the same?—A. Practically the same.

Q. Then the experiments conducted at Caraquet would apply to herring taken all down that shore?—A. Yes. The steamer was fishing sometimes off the county of Kent, although coming to Caraquet with her catches.

By Mr. Loggie:

Q. Have you made any proposition in regard to the inspection of lobster canneries?—A. At present that is being carried out under what is called the Meat and Canned Foods Act. It is not a very suitable law for the inspection of fish canneries and the idea is to have a new Act covering fish canneries entirely. So far there has not been time to have this Act put through.

Q. Do you propose acting under the old law in the meantime?—A. Yes. That is all we can do in the meantime.

Q. Your five officers have nothing to do with that?—A. The ordinary fishery overseers are attending to that work in the ordinary run of their duties. It is simply a case of seeing that the fish, or shellfish, as the case may be, are canned under sanitary conditions and that the canneries are up to the standard of requirements.

Q. You mean the fishery guardians?—A. The overseers, as they are termed.

By Mr. Copp:

Q. Are your officers examined in regard to the qualifications?—A. Yes, they have to be recommended and their qualifications certified to by three fish merchants of repute.

Q. That they are qualified to make inspections?—A. Three fish merchants of repute have to certify to their qualifications.

Q. Do they have very much knowledge as to whether they will be qualified or not?—A. If fish merchants would not have that knowledge I do not know who would have it.

Q. If the fish merchants have the knowledge, why do you need the inspectors?—A. It is knowledge as to the man's qualifications I am referring to.

Q. And I say, if the fish merchant himself is the man who passes judgment upon the qualifications of the inspectors, what is the use of having the inspectors?—A. I don't very well understand what you mean.

Q. Surely these fish merchants are the people interested in the fish, and the handling of it, and if their knowledge of fish is sufficient to pass judgment upon the qualifications of the inspector, what good is the inspector to that merchant?—A. The only reason that I mentioned the fish merchant was in answer to your question.

Q. They recommend the inspectors?—A. They had to get certificates of qualification from three fish merchants of standing.

Q. Do you think that is any advantage for the Department to ascertain the qualifications of an inspector for carrying on a fish industry?—A. I think so.

Q. You do?—A. Yes.

Q. That you can write down to some fish merchant in the Maritime Provinces and ask him if so and so is a duly qualified inspector? You think that is a sufficient guarantee?—A. That would not be the only—

Q. If he told you—what difference if he tells you?—A. I do not know who else could certify to the man's qualifications.

Q. Could you not tell better yourself?—A. I could, but it was not my place to choose those men at all.

Q. Whose place was it?—A. I do not know.

Q. I thought you were the expert who had charge of this experimental work?—A. I am responsible for the administration of the Act, but not for the appointment of the officers.

Q. Who is responsible?—A. The Department.

Q. You have no responsibility regarding that at all?—A. Not in the appointment of the officers.

By Mr. Nicholson:

Q. In consequence of an inspector visiting the fish stations in Prince Edward Island and the Magdalen Islands, and of the instructions given by him with reference to the packing, have you reports from the fishermen and merchants that they received higher prices for their fish and that they were benefited by the instructions given them? —A. Yes, sir, very much so.

Witness discharged.

The CHAIRMAN: With this meeting we conclude the taking of the evidence into the spread in the prices of fish. The evidence has already been printed in pamphlet form from day to day for the use of the members of the Committee and I think it might be useful if we had it now printed in book form, and also have it attached as an appendix to the Journals of the House, so that it will be available for general reference. The report which the Committee would be disposed to make might, I think, be referred to a couple of members to draft, and then submitted to the Committee.

On motion of Mr. Kyte, the Chairman and Mr. J. H. Sinclair were appointed a sub-committee to draft a report for submission to the Committee.

Committee adjourned.

APPENDIX No. 3

HOUSE OF COMMONS.
ROOM 301,
THURSDAY, April 13, 1916.

The Committee met at 8.30 p.m., the Chairman, Mr. Jameson, presiding.

The CHAIRMAN: Since our last meeting the clerk has handed me a letter from Mr. Pullen, of the Canadian Express Company, supplying certain information supplementing his evidence, which I think should be printed.

As the members of the Committee will recollect the taking of evidence in this inquiry was closed on the 5th instant, and a sub-committee, consisting of the Chairman and Mr. Sinclair, appointed to prepare a report for reference to the Committee for its consideration before being submitted to the House. The report was ready for the Committee when Mr. Chrysler, K.C., wrote me on the 7th instant, stating that the Dominion and Canadian Express Companies dissented from certain statements made by Mr. Payne, Comptroller of Railway Statistics, in his evidence, and desired an opportunity to reply. To this I replied on the 8th instant, and Mr. Chrysler wrote me again on the 10th and 11th. This correspondence should, I think, go in the record explaining why the inquiry is re-opened. Mr. Chrysler and the Presidents of the Express Companies saw me on the 11th instant, and as the object of the inquiry which the committee has been conducting is to secure, so far as possible, an understanding of conditions as they exist, I agreed, after consulting Mr. Sinclair, to call the committee together again for the purpose of receiving the reply of the express companies. The companies, by their solicitor, have handed in a written statement, copies of which I had made and placed in the hands of the members of the committee to-day. Since then Mr. Chrysler has furnished another memorandum, which he has described as an appendix to the memoranda already fyled on behalf of the Canadian and Dominion Express Companies. Mr. Chrysler, K.C., is here this evening to represent these two companies. Is it the pleasure of the committee that he be heard?

SEVERAL MEMBERS: Carried.

Mr. CHRYSLER, K.C.: Mr. Chairman and gentlemen of the committee,—I have to express my thanks to yourself and the gentlemen of the committee for giving us this opportunity of being heard. We have no controversy with Mr. Payne directly, but we thought that perhaps, through inadvertence or some misunderstanding, he had made some statements reflecting on the character of the returns made by the companies, and that it was due to the companies and perhaps to the committee that we should give them an explanation as far as it is in our power. I suppose, Mr. Chairman, it will not be advisable for me to take up any time in reading the memorandum which I have presented, as you have had it in your hands and I understand the members of the committee have also been supplied with it. If you will permit me I will state briefly what we consider to be the substance of the memorandum, and then I will call the two auditors of each of these two companies for a few words of evidence confirming the statements which they have appended to the memorandum in correction of the statements made by Mr. Payne. They do not differ greatly perhaps from the statements made by Mr. Payne, or in the general results; but we thought that we ought to accompany our explanation with what we consider to be the correct figures bearing upon the point which Mr. Payne has raised in his evidence.

Let me state briefly what I consider that point is. I do not know that Mr. Payne intended to express any opinion as to whether the express companies were earning, or were not earning, inordinate profits. I do not think that finds very pronounced

expression in his evidence. The point of his criticism, taking it altogether, as I understand it, is this: The returns supplied to the Department of Railways, which the committee will understand from the evidence of Mr. Payne himself, are furnished on forms and according to directions laid down by the Comptroller of Statistics and which follow very closely the procedure laid down by the Interstate Commerce Commission, and a comparison made between the gross transportation revenue of these companies and the column in these returns which is called net operating revenue, discloses this fact upon which Mr. Payne has laid stress—that the gross operating revenue has fallen off in the last two years of the period in which his criticism extends—that is the period of five years beginning the year ending June 30, 1911, and closing with June 3, 1915, five years, inclusive—and that while there has been a falling off during the last two years, the causes of which will probably readily occur to the members of the committee, there has not been that diminution in the out-goings of the companies which are found under the heading of operating expenses and under the heading moneys paid for express privileges which ought to have taken place, and that consequently the column of net operating revenue, which is the balance left after deducting the sum of these two columns if applied to the gross revenue shows an increasing of percentage of expenses under these two heads. It is that feature we have undertaken to deal with as far as possible in this statement. The first point about it is that there is no criticism of the column, so far as I am aware, of operating expenses. The criticism is directed to the column headed "moneys paid for privileges." We have only to deal with these two companies. Of course there are, as Mr. Payne explained to the committee, several companies in Canada doing business; but these are the two principal ones and the first comparison that he made was based upon the sum of all the figures applicable to all the express companies in Canada. Well, that is not satisfactory because there are different circumstances to be considered in connection with the method of payment of the two companies in question. So far as the Canadian Express Company is concerned, that company is working under a contract by which it pays to the Grand Trunk Company 50 per cent of its gross earnings from its transportation; and if the figures all fell within a year, and if the Canadian Express Company did not operate on a number of other railways on which the rate is different from that which it pays to the Grand Trunk Railway Company, the figures ought to be exactly 50 per cent. That is to say, the amount paid for the so-called express privileges ought to be 50 per cent of the amount earned by the company from transportation.

Mr. SINCLAIR: The gross amount.

Mr. CHRYSLER, K.C.: The gross amount, yes. The figures are nearly so, as you will see by referring either to Mr. Payne's statement or our own. They are less than 50 per cent because of two or three circumstances which Mr. Williamson, the auditor of the company will explain; they do not in any case exceed 50 per cent. If the committee will just bear in mind for a moment that the rate paid to some of the smaller railway companies is 45 per cent they will see there is room for variations at once. The rate paid to the Intercolonial Railway is 50 per cent, so that does not cause any variation even. Mr. Williamson will explain—I was just leading up to it—that although the railway company may earn under its contract 50 per cent of the gross revenue from transportation in any given year, it does not follow that it receives it within the year. The accounting may take some time, and it may happen that the balance of the account due on the 30th June, 1913, or on the same date in 1914 or 1915 is not paid to the railway company until the following year. That probably will happen in any business and consequently there will be a discrepancy.

The CHAIRMAN: That equalizes, where it is carried over from year to year.

Mr. CHRYSLER, K.C.: It will equalize, or it should equalize, if it is carried over for a number of years, and if there is not the other question of the amount paid the

other railway companies being less than 50 per cent. But the point, the sole point, we wish the committee to understand is that they have not made any change in the contract for payment by the Canadian Express Company to the Grand Trunk Railway Company within the period covered by these figures. There is no ground for the suspicion, if there is any, attaching from the evidence that has been heard, that the accounts have been in any way manipulated, or that any amount has been added to the column of Payment for Express Privileges for the purpose of swelling the profits of the Canadian Express Company. That is the whole thing.

The CHAIRMAN: Mr. Chrysler, I have glanced over this memorandum, and it practically sets out what you are representing in your arguments. Is it the desire of the company which you represent to have this memorandum incorporated in the record?

Mr. CHRYSLER, K.C.: Yes, sir.

The CHAIRMAN: Is it the pleasure of the committee that the memorandum which Mr. Chrysler has furnished on behalf of the express companies be incorporated in the record of this inquiry?

SEVERAL MEMBERS: Carried.

CANADIAN EXPRESS COMPANY,
OFFICE OF PRESIDENT.
MONTREAL, QUE., March 4, 1916.

THOS. S. HOWE, ESQ.,
Clerk of Marine and Fisheries Committee,
House of Commons,
Ottawa, Ont.

DEAR SIR,—As requested by the Chairman, on page 87 of the official report of evidence respecting discrepancies in the prices of fish, taken on Monday, February 28, 1916, by the Marine and Fisheries Committee of the House of Commons of Canada, the following answers are hereby transmitted:—

Chairman, Q: The first of these questions is whether you cannot put into effect a carload lot rate for express which will be less than your present rate.

Answer: A carload lot rate can only properly be made when a carload (subject to a minimum of 20,000 pounds of fish) is tendered on the same day to the carrier by one consignor or owner at one shipping point, consigned to one consignee at one destination. For such a shipment, if a lower carload rate were provided, the shipper and consignee would be required, at his own expense, to perform the cartage, loading and unloading of the cars.

It is our understanding that shipments of fresh fish from the Maritime Provinces are not made in sufficient quantities, or under the conditions outlined above, to justify the making of a lower carload rate. The shipments originate with various shippers at various shipping points, consigned to various consignees at various destinations. It is not a single commercial transaction, but many transactions.

Chairman, Q: The second question is whether you can give a pedlar car service . . . . . a pedlar car is a car in which shipments from one or several shippers are consolidated and on which the carload rate to the farthest point is the rate charged, such car to be opened at certain points along the line to distribute and lay down some of the commodities carried, in each case a charge to be made in addition to the regular rate for opening the car.

Answer: The express service is not adapted to pedlar car service. The railway company requires that express be put on its trains only when it can be quickly loaded and unloaded from the trains during the interval that the

train is discharging and taking on passengers. A pedlar car service on a fast express train would seriously delay the train and inconvenience the travelling public. If a pedlar car on a passenger train contained more fish than could be quickly discharged at an intermediate point, it would be necessary to cut the car off the train, put it on a side track and leave it to be picked up by the next following train. This would also delay the passenger train, involving switch movement by the engine. It would also delay the delivery of the fish at the final destination. A pedlar car may be adapted to way-freight service on a railway, but cannot be adapted to express train service.

The proposition to pay a carload rate to the farthest point, plus a charge to be made in addition to the regular rate, for opening the car, is objectionable, because it is contrary to the carload requirement, as answered in the next preceding question.

Chairman, Q: When it is not feasible to use the refrigerator car, why could you not partition off a portion of the ordinary express car for fish shipments so that that portion could be kept at proper temperature and so prevent the deterioration of fish in transit.

Answer: While it may be practicable to partition off a portion of any car and fit it up as a refrigerator for the carriage of fish, the separation of such space would curtail the space required for the handling of express merchandise and another car would have to be provided to take care of the overflow of express, making two cars to be hauled on a train, one of which is only partially loaded. This, of course, is objectionable on the part of the railway. If fish must be carried on passenger trains it should be in a car by itself, and such a car should be refrigerated in summer and kept free from heat in winter.

In answer to Mr. McCurdy's questions, beginning on page 86:—

Mr. McCurdy, Q: Is it a fair question to ask you how that rate is divided?

Answer: Prince Rupert to Montreal $2.15 per 100 pounds.
Montreal to New York.. .85 " "

Total.. .. .. $3.00

In answer to the questions by Mr. Kyte on page 88:—

Mr. Kyte, Q: Send us a statement as to what the charge would be for 100 pounds weight from Mulgrave to Montreal, based on the charge from Prince Rupert to Montreal.

Answer: 83·5 cents per 100 pounds.

I trust these answers complete the information which the Committee asked for at the hearing on February 28.

Yours truly,

JOHN PULLEN,
President.

CENTRAL CHAMBERS, OTTAWA, CAN., April 7, 1916.

CLARENCE JAMESON, Esq., M.P.,
House of Commons, Ottawa.

Canadian Express Company—Dominion Express Company—Rates on Fish.

DEAR SIR,—I address this letter to you, as Chairman of the Committee to inquire into the discrepancy between the price of fish, at the place of production, and in the interior markets.

I am instructed to act on behalf of the Canadian Express Company, and the Dominion Express Company, particularly in regard to evidence which has been given

Mr. CHRYSLER, K.C.

so I am instructed at the sixth and seventh hearings by Mr. J. L. Payne, Controller of Statistics of the Department of Railways.

The express companies desire to have an opportunity of presenting evidence in respect to the evidence given by Mr. Payne.

I have only received instructions this morning, and am not yet familiar with the evidence.

The companies are preparing a memorandum, in reply to Mr. Payne, which they desire to support before the Committee by evidence.

I shall endeavour to see you to-day or on Monday, but I write this letter so that you have the matter before you, in case I should fail to see you.

Yours very truly,

F. H. CHRYSLER.

HOUSE OF COMMONS,

OTTAWA, April 8, 1916.

FRANCIS H. CHRYSLER, Esq., K.C.,
Central Chambers,
Ottawa, Can.

Canadian Express Company—Dominion Express Company—Rates on Fish.

DEAR SIR,—I have to acknowledge receipt of your communication of the 7th instant, with relation to the parliamentay inquiry into the spread in the price of sea foods.

The committee concluded the taking of evidence on the 5th instant, and the same will be reported to the House at once, as the session is drawing to a close.

If, however, you desire to submit memoranda on behalf of the above companies your clients, I shall take it up with the Committee and see whether they consider it proper to re-open the inquiry. As the express companies were well aware that the inquiry was in progress, I am somewhat at a loss to understand why they did not avail themselves of the privilege of being represented during the taking of the evidence which was of interest to them.

Yours truly,

C. JAMESON.

CENTRAL CHAMBERS, OTTAWA, CANADA, April 10, 1916.

CLARENCE JAMESON, Esq., M.P., House of Commons, Ottawa.

Canadian Express Company, Dominion Express Company.

DEAR SIR,—I have your letter of the 8th instant this morning, and have telegraphed to the companies the substance of your letter.

I understand that the companies have been preparing a memorandum, as to the earnings and expenses of the companies. I do not know how soon they will be ready to hand this in, but it will probably require some explanation before the Committee, by the officers of the companies.

I would esteem it a favour if you will kindly let me know when the Committee meets for the purpose of considering this matter. I shall probably, in the meantime, receive advice as to the nature of the evidence which the companies desire to supply.

Yours very truly,

(Signed) F. H. CHRYSLER.

Mr. CHRYSLER, K.C.

CENTRAL CHAMBERS, OTTAWA, Canada, April 11, 1916.

CLARENCE JAMESON, Esq., M.P.,
House of Commons, Ottawa, Ont.

Rates on Fish—Canadian Express Co., Dominion Express Co.

DEAR SIR,—In reference to your letter of the 8th April, I wrote to you yesterday stating that I had telegraphed to the companies the substance of your letter.

The officers of the two companies, Mr. John Pullen, President of the Canadian Express Company, and Mr. W. S. Stout, President and General Manager of the Dominion Express Company, are in town to-day, and they desire me to say that they have only very recently had the opportunity of reading the evidence of Mr. J. L. Payne with regard to the financial statements made by the companies to himself, as Comptroller of Statistics.

The express companies consider the evidence of Mr. Payne inaccurate both in his statements of facts and in the conclusions which he has drawn in his evidence, and that the evidence is misleading and may convey a wrong impression to the committee with reference to the affairs and business management of these companies.

They are therefore desirous of having the opportunity of presenting to the committee certain evidence upon the subject, and therefore respectfully ask you if it would be possible to have an early meeting of the committee called, in order that they may be heard.

I am sending this letter out to the House of Commons by messenger.

These gentlemen would like to have an interview with you either this afternoon or evening, if you can make it convenient.

Yours very truly,

(Signed) F. H. CHRYSLER.

Memorandum, presented on behalf of the Canadian Express Company, and the Dominion Express Company, in regard to certain evidence, as to the returns made by the Canadian Express Company, and the Dominion Express Company, given before the Committee respecting the "Discrepancy in the Prices of Fish," by Mr. J. L. Payne, Comptroller of Statistics.

Mr. Payne gave evidence on two occasions.

The first on the 20th of March, is reported at page 153, and following pages.

The following are quotations:—

(Page 154)—

"The operating expenses of these companies were $4,451,227.91, and the express privileges were a little more than that, $4,553,861.43. Still with these two deductions, one of which is almost entirely arbitrary, the express operating expenses you can understand are definite, depending upon the cost of operation—but the express privileges are purely an arbitrary amount agreed upon between the express company and the railway, largely a domestic matter."

"Q. That is about 50 per cent of the gross earnings?—A. Somewhere about 46 per cent in that year. have calculated it, and I think it is 46 or 47 per cent, but it keeps going up"——

(Page 154)—

"Q. They are about the same?—A. About the same; they have all apparently increased, although I think there has been a larger rise in the Dominion Express Company, which has shown the greatest shrinkage in net results. That is the average of all companies. I say with the utmost frankness it is absolutely startling."

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"Q. According to your figures, they have had no profits at all?—A. They have *eliminated* their profits. The profits in 1911 were $1,207,929, and they were reduced to $68,668 last year. That is to say they were reduced to that on the basis of net operating revenue. They were doing an exceedingly profitable business up to 1913, on the face of it, and then for reasons which I would like very much to know (interrupted)—

(Page 155)—

"Q. Would it be due to the arbitrary extension of the express privileges?—A. That is entirely arbitrary. They can allow the railway what they will.

"Q. They have gone on increasing the commission assigned for express privileges each year, have they not?—A. Certainly, quite perceptibly, very much so.

"Q. Would the increase in the allowance for express privileges account for the decrease in the profits?—A. In part.

"Q. You give me the impression you think these figures are not bona fide, as compared with five or six years ago?—A. It would be assuming a very heavy responsibility to even to imply such a thing, but—(interrupted)——

"Q. You do not wish to create that impression, but you certainly gave it to me——A. Well, I may say that the impression is in my own mind, and I could not very well conceal it."

(Page 156)—

"I have only got to say to the committee, in all sincerity, that these figures absolutely startle me, and are inexplicable."

(Page 157)—

"Q. You say the reduction in the net profits is inexplicable to you?—A. It is."

The companies do not desire to enter into any controversy with Mr. Payne, but merely to direct the attention of the committee to these statements, for the purpose of correcting an erroneous impression, which this evidence must have given, with regard to the business of the Canadian Express Company, and the Dominion Express Company.

The figures given in the first quotation refer to all the business of all the companies in Canada.

These two companies are the principal companies, but it is impossible to base any conclusion upon the figures of all the express companies in the country, when they are jumbled together. Yet Mr. Payne has deduced a general law of increased payments to the railway companies.

The figures which Mr. Payne has made use of, in the statement furnished to the committee, printed at pages 168 and 169, are those for the years 1911 to 1915, inclusive.

The deduction drawn from the figures, and which Mr. Payne implied to the committee, is that the express companies have improperly, and for some sinister purpose, increased the scale of payment to the railway companies for what these returns call "express privileges."

Several of the terms referred to by Mr. Payne in his evidence are technical, and when used without explanation are misleading.

The term "express privilege" has been adopted by the Department of Statistics. from the usage, in the United States, where the term was employed by the Interstate Commerce Commission.

The word "privilege" is a comprehensive term to include the services rendered by the railway company, to the express company, including transportation, the use of cars, and the lines of railway over which they are drawn, the services at the smaller offices of railway agents, use of offices in railway stations, and many other services of a like character.

The express company receives and contracts for the delivery of goods, which are carried to their destination, either by railway, or by other carriers.

A very large part of the service to the public, is the transportation by these carriers, and in the case of railways, in Canada, in almost all cases it is performed by the carriage of the express goods in a car forming part of an express train.

It is, in fact, not a privilege, but a service, performed by the railway, for the express company, for which the railway company should be paid.

The term "net operating revenue" is also technical. It does not mean net income. It only means the difference between gross operating revenue, and the amounts paid for:

(1) Express privileges, and
(2) Operating expenses.

Taxation does not fall within either of these headings, and has been omitted in Mr. Payne's figures.

Payments for the purchase of additional plant, and equipment, are not operating expenses, but are proper charges to capital account.

Although not distinctly stated, the impression conveyed by Mr. Payne's evidence is, that the accounts of the express companies have been improperly prepared, so as to show increased rates of payment to the railway companies, and to conceal the profits which would otherwise appear. The expression, used by him, is that profits have been "eliminated".

Mr. Payne could not be mistaken as to the methods by which payments are made by express companies for the items classed as "express privileges."

On page 37, of the official form, provided for the companies to make their annual returns, the basis on which the different railways are paid for the carriage of shipments, are required to be shown, and any increase, or decrease, in the basis of payments, are required to be explained fully on page 59.

These reports show, and Mr. Payne must have known:—

1. That there have been no changes in the basis of payments to the railway companies, by the express companies, in the years 1911 to 1915.

2. That the Canadian Express Company's arrangement for privileges, with the Grand Trunk Railway Company, provides for the payment of fifty per cent of the gross receipts, from the transportation of express goods. There are many contracts also with other carriers.

3. That the Dominion Express Company, has contracted for payments to a large number of carriers, but that the principal payment is made to the Canadian Pacific Railway Company, and is not based on a percentage of revenue, but upon the tonnage of the goods carried, and that such payments do not vary with the amount of revenue received, but in proportion to the tonnage.

4. That with the exception of the Dominion Express Company, the other express companies generally pay the railways on a percentage of the gross receipts from transportation.

5. That the ratio between the aggregate revenue, and the amounts paid to the railway companies, would not have been affected to any extent, if Mr. Payne had not included the figures of the Dominion Express Company.

When the express companies pay for express privileges, upon the basis of a percentage of receipts, the ratio does not vary with changes in the conditions of traffic, or in the rates of toll.

The result upon this ratio is different, however, when payment is made upon a tonnage basis, because in that case the sums paid vary in proportion to the weight of goods carried, and not in proportion to the express tolls received.

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Two changes in the conditions of carriage, however, affected the figures of the Dominion Express Company.

The tolls of the express company were reduced, by the order of the Board of Railway Commissioners for Canada, the order taking effect on the 1st of July, 1913.

The effect of this, so far as the Dominion Express Company was concerned, was to lower the amount received in tolls, for carrying an equivalent amount in weight in other words, for the same quantity of goods carried after the 1st of July, 1913, the express company would receive a less amount for its express tolls, but the payments for transportation to the railway, based upon tonnage, would remain the same.

The payments to the railway company, based upon tonnage, have, however, been automatically reduced, so far as the business west of lake Superior is concerned, by the reduction made by the Board of Railway Commissioners for Canada, in the freight rates on Western lines, but the reduction so made has been more than offset by the reduction in the revenue received by the Express Company from the reduced rates for carriage of express.

For example:—

Take an express rate of $1 per 100 pounds and first class freight rate 50 cents per 100 pounds.

The express company would pay the railway 50 cents, which would be 50 per cent of the express revenue. A reduction of 10 per cent in the freight rates would make a first class freight rate 45 cents and the express company would again pay 45 cents to the railway, or 45 per cent of its revenue.

A reduction of 20 per cent in the express rate would make the express rate 80 cents per 100 pounds and the express company would pay the railway 45 cents, or 56¼ per cent of the express revenue.

As the result of these changes, the Canadian Pacific Railway Company, carried for the Dominion Express Company, a larger tonnage in 1914 than it did in 1913, and on the whole earned larger remuneration for transportation, while the express company received a smaller amount in tolls.

(In addition to these two changes, the ratio of expenses to gross transportation receipts was increased in 1915 by increased payments of the Dominion Express Company to the Canadian Pacific Railway, under the provision in its contract requiring minimum monthly payments.)

The figures are set forth in the statements which have been prepared by the companies.

To return to Mr. Payne's first statement, on page 154, it will be seen how misleading is a conclusion drawn from the adding together of the figures of these two companies and combining them with all the traffic figures of all the other companies in Canada.

In fact, the ratio for expense for transportation has not increased with the Canadian Express Company, while it has increased with the Dominion Express Company, owing to the fact that they are carrying as much, or more, tonnage, of goods for less money.

The following extract from the annual report of the Controller of Statistics, for the year 1914, will show that these facts were explained to the Controller, and that the explanation was given due prominence in his report:—

> "It would appear that while there was a falling off in gross revenue in 1914, there was, at the same time, a relatively large increase in both operating expenses and express privileges. Such a situation is apt to create surprise. It was therefore made the matter of official inquiry. It was by this means ascertained that two new factors had operated in 1914 to materially affect express companies; First, the application of a reduced tariff, imposed by the Railway Commission; and second the commencement of a parcels post service by Government. Both probably cut into earnings. The reduction in rates and

changes in classification were assumed by carriers to have affected express gross earnings by about 10 per cent in the aggregate. Some of the reductions were equal to 20 per cent, while in other cases the rates were left undisturbed. It is quite impracticable to even estimate the extent of the parcels post business in 1914, since statistics have not been kept in available form or either volume or earnings. The express companies assert, however, that the operations of the Post Office Department in this regard cost them a considerable volume of their most profitable traffic, namely, small parcels. In the absence of data from any source on the subjects it is impossible to make calculations. The representations of express companies are therefore given without comment.

"The reason assigned by express companies for the increase of both operating expenses and express privileges in 1914, in the face of declining revenue, is that the actual volume of business was larger than in 1913. For example, the Dominion Express Company, which handled 60 per cent of the total express traffic of the country, carried 420,749,764 pounds of express matter in 1914 as against 380,915,616 pounds in 1913. The number of pieces was not so large showing it is claimed, the parcels post influence on traffic. The average weight of packages in 1914 was 36·12 pounds as compared with 33·39 pounds in 1913. Such figures clearly point to an increase, on one hand, of the heavier class of consignments. Operating expenses, and to some extent express privileges are based on the total volume of business measured by weight."

The other change, in the conditions, affecting the percentage, arose from the extension of the Parcel Post System.

This, no doubt, had the effect of taking from each of the companies, a certain proportion of the business which it had previously carried.

In the case of the Canadian Express Company, the result would be a loss of its gross receipts, but it would not affect the percentage paid the Railway company for transportation, because the rate paid to the railway company was 50 per cent of the gross receipts.

In the case of the Dominion Express Company, the extension of the parcel post system had the effect of taking out of the business of the express company a large amount of business in the carriage of parcels of 11 pounds weight, and under, so that the average weight of parcels would increase, while the average receipts for each parcel, and for each pound of freight, would on the average, be diminished.

In Mr. Payne's evidence, page 188, there is a statement made by him, in reply to the evidence of Mr. Stout:—

"Mr. Chairman, I have searched the records of the Interstate Commerce Commission, and they are all in my hands since the first report they issued—this is the first report I have brought with me.

Q. For what year?—A. For the year ending July 30, 1909, and I have not found any statement which definitely supports the statement to you by Mr. Stout. I do not find any fixed base rate laid down by the interstate Commerce Commission, nor do I know that a base rate was accepted by the Railway Commission."

The evidence of Mr. Stout is given at page 99. If it is referred to, it will be found that Mr. Stout did not say that the Interstate Commerce Commission had established a base rate. He made a statement, which is too long to quote, and referred to a pamphlet which he had in his possession containing the evidence of Mr. W. A. Ryan, who was acting for the Interstate Commerce Commission, and had charge of the investigation of express rates for the Commission .

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The statement made by Mr. Stout is absolutely correct as he made it, and when Mr. Payne says that he did not find any fixed base rate had been made by the Interstate Commerce Commission, he was contradicting something that Mr. Stout had not said.

Another statement of Mr. Payne's, at page 191, is in these sentences:—

"Q. Was this acquired out of capital?—A. It was absolutely every penny of it paid out of revenue.

"Q. Out of profit, or revenue?—A. Yes, in fact I might say again to emphasize the point, that there is no mention in the report of a single dollar of capital being used in anything whatever in connection with the express business in Canada. That is, it did not require any capital investment. I can go further. I say that it did not invest a penny in anything that is tangible, that it did not buy property, buildings, equipment or anything else with a single penny of capital in Canada."

The question whether the Canadian Express Company or the Dominion Express Company have a large or small amount of capital, or no capital at all, is probably not of much consequence for any purpose connected with the inquiry which your Committee are making.

At the same time the companies do not desire the statement to pass unchallenged as Mr. Payne has referred to the information before him in the reports of the company.

The statement in the annual report of each of the companies shows the capitalization on page 19, and property and equipment is detailed on pages 29 and 61.

The following statements are furnished for the information of the committee:—

Canadian Express Company, Statement "A," Statement "B."

Dominion Express Company, Statement "A," Statement "B."

Dated at Ottawa this 12th day of April, 1916.

F. H. CHRYSLER, for
The Canadian Express Company and
The Dominion Express Company.

DOMINION EXPRESS COMPANY.—Statement showing percentages of Transportation Revenue years ending June 30.

—	Transportation Operating Expenses.	Taxes.	Express Privileges.	Total.
1911	42·31	.....	46·83	89·14
1912	45·31	0·65	45·69	91·65
1913	44·51	0·51	46·11	91·13
1914	51·36	0·78	49·81	101·95
1915	51·62	0·97	53·84	106·43

W. H. PLANT,
General Auditor.

April 12, 1916.

Mr. CHRYSLER, K.C.

DOMINION EXPRESS COMPANY.—Statement Operating Revenue from Transportation, years ending June 30.

—	Gross Transportation Revenue.	Express Privileges.	Expenses.	Taxes.	Net Transportation Revenue.
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
1911	5,387,306 31	2,523,231 93	2,279,470 76	Not separated	584,603 62
1912	5,854,539 34	2,674,862 35	2,652,727 63	38,389 56	488,559 80
1913	7,184,899 49	3,313,088 46	3,198,168 46	36,421 46	637,221 51
1914	7,009,899 20	3,491,775 45	3,600,298 09	54,397 10	*136,571 44
1915	6,007,923 98	3,234,715 54	3,101,412 84	58,136 22	*386,340 62

*Deficit in 1914 and 1915

W. H. PLANT,

General Auditor.

April 12, 1916.

The CHAIRMAN: Will you now please ask the gentlemen who are here on behalf of the companies to come forward

Mr. CHRYSLER, K.C.: Yes. But might I just say one word further; I will be very brief. With regard to the Dominion Express Company, the system of payment is different, as I explained in my memorandum. The Dominion Express Company paid the Intercolonial Railway 50 per cent, and to a large number of railways varying percentages, but as far as the Canadian Pacific Railway Company is concerned, they paid to that company a tonnage rate upon the tonnage carried. The effect of that I have explained in the memorandum. I will now call Mr. Williamson, if it is the desire of the committee, on behalf of the Canadian Express Company.

Mr. WILLIAM WALTER WILLIAMSON, called, sworn, and examined.

By the Chairman:

Q. What is your official position?—A. General auditor to the Canadian Express Company.

By Mr. Chrysler, K.C.:

Q. You have read the memorandum which has been prepared, or heard it read. Now, generally so far as that relates to the relations between the Canadian Express Company and the Grand Trunk Railway Company, is the statement correct?—A. It is.

Q. You have prepared, and have filed as exhibits with that statement, two statements prepared by you with relation to the receipts and payments of the Canadian Express Company for the five years, 1911-1915. Will you now examine Exhibit B and explain what it shows?—A. Exhibit B is framed on the same lines as the statement placed on page 169 of the Report of the Proceedings of this committee, containing the examination of Mr. Payne, but in this respect it differs: In Mr. Payne's report he

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simply deals with the gross receipts from operation, and in that amount does not include another item which we term "Outside (Ocean) Operations," and which should be added in order to make our total gross receipts. Then the columns of express privileges and operating expenses are identical, and the net operating revenue is identical except that it is increased by the amount of the Ocean Operations, which has been omitted.

Q. Which are the columns which you say are identical?—A. These four columns (indicating): Gross Receipts from Operations, Express Privileges; Operating Expenses, and the Net Operating Revenue.

Q. You are making the net operating revenue larger by the amounts which are included in the second column, some small amounts, which are described as Outside Ocean Operations?—A. Yes.

Q. Then what is described in the column as Net Operating Revenue corresponds with the amount described in the returns, does it?—A. With the addition of these four small amounts they are practically the same figures.

By the Chairman:

Q. What are the four small amounts you mention?—A. $3,507, in 1911; $6,276 in 1912; $5,826, in 1914; $5,874, in 1915.

Q. That is described in this column as "Outside (Ocean) Operations"?—A. Yes.

By Mr. Kyte:

Q. Why have you no decrease for 1913?—A. They were dealt with differently in the statement for that year. They were included in the general accounts then, but they have since been segregated to fall into line with the new regulations from the Interstate Commerce Commission.

By Mr. Chrysler, K.C.:

Q. What is the other remaining column, the one under the heading "Sundry Special Circumstances"?—A. These include amounts which have been disbursed by the company after ascertaining our net operating revenue. They consist in all cases of taxes paid, payments to the Grand Trunk Pacific, and depreciation, aggregating in 1911, $60,511; in 1912, $128,845; in 1913, $147,996; in 1914, $38,949, and in 1915, $51,949. These are disbursements which are chargeable against our operating revenue, and reduce our net operating income by that amount.

By the Chairman:

Q. Were those charges included in your statement to the department, according to law?—A. They are all contained in the annual reports rendered to the Department of Railways.

By Mr. Sinclair:

Q. Is there any equipment in that column?—A. Depreciation on equipment, that is all. In 1911, it amounted to $21,634, and in 1912, it amounted to $48,965.

Q. Where does your expenditure for equipment appear in these statements?—A. It is in the "Sundry Special Expenses." It forms part of the $60,511 and $128,845.

By Mr. McCurdy:

Q. Is that a parallel charge to operating?—A. It has not been charged in these two years, but it has been charged since then. The Interstate Commerce Commission has changed the system, and the depreciation is now chargeable under maintenance account. So it disappears entirely at the end of 1912.

By Mr. Sinclair:

Q. I suppose you purchased equipment every year, didn't you?—A. Yes, sir.

Q. To carry on your business, and which would be included in this expenditure? —A. It is in this amount here.

By Mr. Chrysler, K.C.:

Q. You are not answering Mr. Sinclair's question?—A. It is in that "Sundry Special Expenses."

By Mr. Sinclair:

Q. For whatever expenditures you make for equipment, you have the equipment for whatever it is worth?—A. Certainly, sir.

Q. It is an asset to the company?—A. Certainly.

By Mr. Kyte:

Q. This does not represent depreciation entirely, it also represents additions to your equipment?—A. It does not, because we so seldom buy new equipment. But when we do, we issue capital stock, the shareholders furnish the money and we issue new stock against it.

By Mr. Chrysler, K.C.:

Q. I want to ask a question arising out of this. Do you understand that in this column charges for new equipment are included?—A. That is correct, sir.

By Mr. Sinclair:

Q. If the witness would tell us what proportion of that is new equipment, it would be interesting?—A. I cannot tell that. They are replacements, renewals, that is what they really are.

Mr. CHRYSLER, K.C.: He has given you the figures, not the proportion.

By Mr. Chrysler, K.C.:

Q. Then the last column "Net Operating Income," how does that differ from "Net Operating Revenue?"—A. It reduces our net operating income showing the final results to the company by these amounts less than the amounts shown in the tabulated statement in Mr. Payne's evidence.

Q. Yes?—A. Do you want them read?

Mr. CHRYSLER, K.C.: No, they show there

By Mr. Kyte:

Q. The figures given by Mr. Payne correspond with those in the "Net Operating Revenue?"—A. With the exception of those small items in "Outside (ocean) operations," otherwise they are identical.

By Mr. Chrysler, K.C.:

Q. Then we go on to the other statement, which you have marked Exhibit A. Now, in this statement you have shown "Gross Receipts from Operations." I suppose those are the same figures as in the third column in Exhibit B "Total Gross Receipts?" —A. Yes.

Q. "Transportation Revenue," are those new figures in that column?—A. They are new figures entirely.

Q. What is the difference between the column of "Gross Receipts from Operations" and the column "Transportation Revenue," the difference in character?—A. The difference represents our financial operations which do not come under the head of transportation revenue, and any revenue we may make from acting as customs brokers at the different points. 90 per cent of it consists of our financial operations.

By Mr. Kyte:

Q. Does that include the carrying of money, and issuing of money orders?—A. This net result is money orders and any financial transactions we may have which are entirely distinct in their character from the freight express transportation.

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By Mr. Chrysler, K.C.:

Q. And is toll paid to the railway company for the carriage of these money orders? —A. No, sir.

By Mr. Kyte:

Q. Then your income from express orders is in addition to the amounts in column 2 "Transportation Revenue" in Exhibit A?—A. Yes.

By Mr. Chrysler, K.C.:

Q. Then the remaining columns are percentages. The first column is the percentage of amounts paid for express privileges as shown. What is the amount for 1911?—A. 49·04 per cent.

Q. We do not need them all. Take the last year, 1915?—A. 50·13 per cent.

Q. Then, would you explain—if the Committee do not mind I will just ask as to the statement he made in the variation in the payments not being made within the year. Tell us what the fact is about that?—A. In the first place, we have suffered very largely from the state of the labour market, and through not getting competent help our work got behind some seven or eight months, and it resulted in a larger percentage of the amounts being paid in the following year. And then again there is always a certain amount of overlapping from one year to another. As the Chairman stated, it is only a question of averaging up the number of years to arrive at the result. For instance, the five years averaged 48·22 per cent.

By the Chairman:

Q. How is it that in 1915 the express privilege was 50·13, and in 1911 it was 49·04 per cent?—A. That is accounted for, Mr. Chairman, by the fact that we had not sufficient help to do the work. We got as far behind as eight or nine months. It goes into the revenue, but we cannot apportion the waybills.

By Mr. Chrysler, K.C.:

Q. That leads to another question. It is the fact that you carry on business on other railways besides the Grand Trunk Railway?—A. Yes, sir.

Q. And are the figures for all the transportation upon railways, including the Grand Trunk Railway, in these tables?—A. Yes.

Q. Did you pay any other companies less than the 50 per cent you paid to the Grand Trunk?—A. Yes.

Q. Did you pay any railway company over?—A. No, sir.

By Mr. McCurdy:

Q. How many railway lines does your express company operate on?—A. I should say between 25 and 30.

Q. Could you give us a list?—A. The names appear in the annual report filed with the Department of Railways with the amounts paid to them, the percentage and other details.

Q. What percentage of your business goes over other roads than the Grand Trunk Railway?—A. I should say probably 46 per cent, outside of the Grand Trunk Railway.

By the Chairman:

Q. You pay the Intercolonial 50 per cent?—A. In that is included other roads that are paying 50 per cent too.

Q. What is the reason your net revenue has declined in the past three years? Is it on account of the decrease in the scale of tolls following the decision of the Railway Commission of July 1, 1913?—A. Not with us, sir, save to a very small extent.

Q. Your rates have practically remained unaffected?—A. Yes.

Q. To what do you attribute your loss of revenue?—A. The state of business. Business has not been as good, and probably increased competition has entered into it somewhat also.

By Mr. McCurdy:

Q. Can you state what effect the operation of the parcels post has had upon the express business?—A. We figure that it has decreased our business by at least 15 per cent.

Q. Did it affect the whole of your business?—A. No, I do not say that.

Q. What proportion of the total number of express parcels you previously carried was lost to the company from the introduction of the parcels post?—A. I really could not say.

Q. Has that question not engaged a good deal of the attention of your company? —A. We never tried to ascertain the extent, it would be an enormous undertaking.

Q. Could you give us an approximate estimate? Would it be 10 per cent?—A. I do not think it would be 10 per cent.

Q. Would it be 5 per cent?—A. I would not like to say.

Q. Would it exceed 5 per cent, approximately?—A. I really would not like to say, because it would be pure guess work. I have nothing to guide me.

Q. Would it exceed 2 per cent?—A. I think it would exceed 2 per cent, there is not much doubt about that.

Q. Can you tell us off-hand what amount of increased subsidy the Grand Trunk Railway is receiving for carrying parcels for the Post Office Department?—A. I could not answer the question. That is a railway matter.

Mr. CHRYSLER, K.C.: Mr. Williamson is the servant of the express company.

Mr. MCCURDY: I know, but are not the railway company and the express company one, Mr. Chrysler?

Mr. CHRYSLER, K.C.: In theory, perhaps, but not in practice.

By Mr. McCurdy:

Q. Who would be able to answer this question?—A. The Grand Trunk Railway officers are doubtless in possession of the knowledge.

Mr. MCCURDY: In connection with the cost of transportation, if my recollection is correct, the statement has been made several times before this committee, that the earnings of express companies have been interfered with by the introduction of the parcels post. This argument is made notwithstanding the fact that the Post Office Department has granted a largely increased subsidy to the railways mainly on account of the increased labour of carrying these parcels.

Mr. KYTE: It amounts to about a million dollars to the three transportation companies.

By Mr. McCurdy:

Q. I want to find out to what extent this increased subsidy has been divided up amongst the railways and has offset the decreased railway income from express. On its face it would appear that the railways have actually profited from the introduction of the parcel post system, rather than the reverse.—A. I have no information as to that.

Mr. CHRYSLER, K.C.: That would not appear in these figures at all.

Mr. MCCURDY: It may be necessary for us to get these figures. They are certainly bound up with the express transportation question; the earnings of express companies are in effect part of the earnings of the railway companies. Your company has a tariff by which the railway company gets 50 cents of every dollar you take in, and if the profit does not go to the express company it goes to the railway. So is the

railway company not getting more under the parcel post system than the express company is losing through the competition of the parcel post? Express companies have not really established an argument that the parcel post has interfered with their earnings.

The WITNESS: Our operations are conducted entirely distinct from the railway. Whatever the ownership of the stock may be, we know absolutely nothing of such questions as that.

By Mr. Sinclair:

Q. As a matter of fact, it is cheaper to send a small parcel by post for a long distance than by express?—A. It is for a very long distance.

Q. Take a parcel going from Toronto to Nova Scotia?—A. On certain weights it would be.

Q. Take a parcel of five pounds, which is the cheaper?—A. In case of a five-pound package I should think the express charge would be cheaper.

Q. Would it be cheaper than the parcel post?—A. Yes, sir.

Q. Then for a parcel weighing between five and eleven pounds, the same thing would hold good?—A. Yes.

Q. Then where do you say the advantage is derived in the case of the parcel post?—A. I think for the long distance across the continent the rates are a little cheaper by parcel post than they are by express. The middle distances we break at about five or six pounds, and then the express charges become gradually a little bit less. I might explain here that in figuring that way the express companies insure their packages up to $1.50—that is, they take the responsibility up to $1.50 for loss or damage—whereas the parcel post adds to its rates a fee of 10 cents for each package for a similar amount of insurance; and when you add that to the regular transportation charge it gives more when you get up above five pounds for certain middle distances. I think that ceases though when you come to the extreme western part of the country. The parcel post charge, even with the added fee referred to is a little less than the express rate.

Q. Then if you wanted to send a parcel from Winnipeg to Halifax the express would not be as advantageous as the parcel post?—A. Probably not, except that another factor enters into the question: The express companies have to pick up their parcels free of cost and deliver at destination, whereas the post office require you to take the parcels to them.

Q. Then in competition with express companies the parcel post is not likely to do very much harm, is it, the advantages being in favour of the express companies?—A. It picks up all the shorter distance business and that probably forms the very much larger percentage of the whole.

Q. That applies to an area of how many miles?—A. In what is called the first zone we of course cannot commence to touch the business, we simply have to let it go.

Q. How many miles does that cover?—A. I think it covers a distance of 20 miles. After that it advances more rapidly up to a distance of 11 pounds in the next zone, and then it still farther increases from one province to another, but on the short distance it is safe to say that the parcel post is very much cheaper than the express.

Q. Still, you are of the opinion that the parcel post is taking away business from you?—A. Yes, there is no doubt about that.

By Mr. Kyte:

Q. Will you please give the transportation revenue for 1911, and subsequent years?—A. For 1911, $2,623,458; for 1912, $2,962,797; for 1913, $3,346,320; for 1914, $3,341,983; for 1915, $3,100,781.

Q. So the only decrease shown is in 1915, and that amounts to about $241,000.—A. There was also a decrease in 1914 but it was very small.

By Mr. Sinclair:

Q. How do you account for the decrease in 1915?—A. The state of business in the country. That statement includes the first year of the war up to June 30, 1915.

Q. You attribute that to the disturbance of business owing to the war?—A. Yes.

By Mr. Chrysler, K.C.:

Q. In these figures have you taken on any additional mileage of railway?—A. It is very small, if any.

Q. The Grand Trunk Pacific was not completed through to the coast until when? —A. The end of September, 1914. I think it was practically the 1st of October.

Q. And before that time you were operating on as much of the Grand Trunk Pacific line as was open?—A. Yes.

By the Chairman:

Q. Can you tell the committee how the receipts from the 1st July, 1915, down to the present time, compare with the receipts of the corresponding period during the previous year. Have you in the last eight months increased your ordinary business?

Mr. CHRYSLER, K.C.: Compared with the last eight months of the previous year. —A. We have.

The CHAIRMAN: You were asking the witness some questions with regard to the various items, have you concluded your examination?

By Mr. Chrysler, K.C.:

Q. You have given the percentage in the last column. What is that last column?—A. The total percentage of expenses against our total receipts, showing the turnover made by the company during five years.

Q. What is the ratio derived from?—A. From the transportation revenue.

Q. The transportation revenue on one side as against the two columns of expense which follow it?—A. Yes, sir.

Mr. CHRYSLER, K.C.: Express privileges and operating expenses.

By the Chairman:

Q. What is included in the column headed "Sundry Expenses, Per cent"?—A. That is the percentage of these sundry special expenses in Statement B as applied to the transportation expenses.

By Mr. Kyte:

Q. I do not understand this last column under "A": "Total percentages of Express Privileges and Operating Expenses and Sundry Expenses, Per Cent" in 1911, 93·86. Does that mean you had a profit of 6·14 per cent?—A. On transportation, yes, sir.

Q. This amounted to 96·6 in 1912 and then in 1914 you lost money?—A Yes.

Q. And in 1915 instead of having a profit you had a loss of 1·16?—A. Yes, sir, on our transportation.

Q. Your revenue has been increasing?—A. Yes, sir.

Q. All the time?—A. Yes, sir.

Q. In 1913 you had a profit of over 3 per cent. In 1914 with almost the same revenue, you had a loss of 0·76 per cent. How do you account for that?—A. Our expenses went up. Our operating expenses increased 2·68.

Q. Then what proportion of this money that has been paid to the railway companies for the carriage of parcels by parcel post goes to the express company?—A. It goes to the railway direct.

Q. And you continue to pay the same proportion to the railway that you were paying before it received this extra money for carrying the parcel post?—A. Just the same percentage exactly.

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By Mr. Sinclair:

Q. Is the Canadian Express Company a joint stock company?—A. Yes, sir.

Q. Have you got last year's financial statement to the shareholders?—A. No, sir, I haven't it with me.

Q. Can you give us that?—A. I can send it to you, I suppose.

By the Chairman:

Q. How long would it take to get it here?—A. I was going to say the figures are exactly the same as those furnished to the Railways Department, only our figures are for the fiscal year ending December 31. Therefore, on account of the difference in the financial year the figures furnished to the Department of Railways would not be of any use to you although they are practically the same.

Mr. KYTE: (To Mr. Payne) Have you the report of the directors of the Canadian Express Company?

Mr. PAYNE: No, but we have the report of the auditor.

Mr. KYTE: The auditor says the figures in that report are the same as those filed with the Railway Department.

The WITNESS: I say that the figures filed with the department are for the fiscal year ending June 30, 1915, and the fiscal year for the company ends December 31. The former figures therefore would not be of any use to you although they are on the same basis exactly.

By Mr. Sinclair:

Q. Is the Grand Trunk Railway Company a shareholder in your company?—A. Yes, sir.

Q. Do they own the whole stock?—A. Yes, sir.

By Mr. Kyte:

Q. So it is really the same company only under different management?—A. It is separately chartered.

Mr. KYTE: The Grand Trunk Railway Company owns all the stock and all the profits from the increased subsidy given by the Railways Department goes to them just the same.

Mr. CHRYSLER, K.C.: The subsidy paid by the Government goes to the railway company of course.

Mr. KYTE: And the railway company and the express company are practically identical.

By Mr. Loggie:

Q. Did your payments to the railway companies increase in 1913 over 1914?—A. We were fortunate in obtaining an increased efficiency in the staff whereby we overtook the back work and we were then able to pay the railways the back moneys we had not been able to pay them before, but there was no change in the basis at all.

Q. How about operating expenses? Did they increase in 1914?—A. The increase was a general one. Everything has gone up, labour and everything else.

By Mr. Kyte:

Q. Has the express company a fixed capital stock?—A. Yes, sir.

Q. What is it?—A. $1,742,200.

Q. Fully paid up?—A. Yes, fully paid up.

Q. All of it is owned by the railway company?—A. Yes.

By Mr. Loggie:

Q. That has been increased in recent years?—A. It has been increased from a million and a half by the purchase of additional equipment.

By Mr. McCurdy:

Q. How much of that capital was paid up in cash by the shareholders?—A. All of it, I judge.

Mr. CHRYSLER, K.C.: All paid in cash.

By Mr. McCurdy:

Q. What part of the $1,742,200 was paid up in properties?—A. We bought a live company and bought its total stock, which was approximately $1,500,000 and the Grand Trunk purchased the whole of the stock.

By Mr. Chrysler, K.C.:

Q. About when?—A. In 1891 it was.

By Mr. McCurdy:

Q. Who were the shareholders at that time?—A. There were a good many of them.

Q. Were they friends of the Grand Trunk?—A. No, sir.

Mr. CHRYSLER, K.C.: It was an outside company up to 1891. A man named Cheney was the promoter of the company, and it ran along down to 1891, and the Grand Trunk purchased their stock, and there has been no change in the constitution of the company since. The charter is the same, but the Grand Trunk Railway Company are the sole shareholders.

By the Chairman:

Q. What did they pay for the stock?—A. A sum of $660,000.

Q. What was the amount of issued and paid-up stock at that time?—A. $1,500,000.

By Mr. Kyte:

Q. You got it for what?—A. $660,000.

By the Chairman:

Q. When you speak of the issued capital stock, do you include the amount as it was when you purchased it?—A. Yes, sir.

Q. Then there was a hiatus between the amount you paid, $660,000, and the amount of stock that was paid up and issued at that time. What would it be?

Mr. CHRYSLER, K.C.: They bought it for 44 cents on the dollar apparently. But that would not give them any right to reduce the stock. They could not do that without legal authority. And then there is the additional amount the witness has mentioned of $242,000 which has been paid in by the Grand Trunk.

By the Chairman:

Q. Can you say what the surplus has been over and above the dividends paid since the company began operations in 1891?—A. I could not give that.

Q. Do you know the dividends that have been paid?—A. None at all.

Q. Prior to 1911, when the first statement was filed with the Railways Department, are you able to give any information on that score?—A. I could go back for a number of years and give the same information that is contained——

By Mr. Chrysler, K.C.:

Q. The Chairman is asking you about dividends, I understand. What dividends were paid prior to 1911, or do you know?—A. There were none paid at all.

By Mr. McCurdy:

Q. In 1911 your company made over $240,000 net operating income. I presume they made substantial earnings each year. Does your annual statement show the amount of accumulated profit and loss?—A. We do not keep a profit and loss account.

Q. What becomes of the surpluses?—A. The Grand Trunk takes them. There is no dividend declared. They take the net profits.

Q. How does the railway company receive any of it if your company do not pay a dividend?—A. The express company turns it over to the treasurer of the Grand Trunk Railway.

Q. Don't they go through the form of paying out a dividend?—A. No, they pay it all in.

Q. Perhaps you can tell us, Mr. Williamson, how much has been paid into the Grand Trunk representing the balance of net profits. You told the Chairman that your company paid no dividends since 1891, but it appears you have really in effect paid large dividends?—A. That may be true in a sense, but the company have never declared any dividends.

Mr. McCURDY: How is that the surplus of your company can be diverted into the treasury of the Grand Trunk without it being in the form of a dividend, Mr. Chrysler?

Mr. CHRYSLER, K.C.: You are asking me to criticise the action of this company.

Mr. McCURDY: They come before us as a separate entity. We ask a question about the Grand Trunk and we get no answer. At the end of the year the express company finds itself with so much cash in hand and it disappears.

Mr. CHRYSLER, K.C.: It may be held in a reserve fund at the credit of this company. But if it is paid over to the Grand Trunk for its use, I suppose it really is a dividend.

Mr. KYTE: In 1911, 49·04 per cent of their earnings went into the treasury of the Grand Trunk.

Mr. McCURDY: That is for express privileges, but I mean apart from that.

Mr. KYTE: The Grand Trunk received nearly 50 per cent in the first instance.

Mr. McCURDY: For which it gives services, and it in 1911 for instance also got $240,000 for which it gave no services.

Mr. LOGGIE: To all intents and purposes they have declared a dividend of 20 per cent in 1911.

Mr. McCURDY: I think, Mr. Chairman, you should have a statement showing the net surplus from year to year since the time the Grand Trunk purchased this express company, so you can ascertain what profits the railway have been making as a dividend on their investment of $660,000.

The CHAIRMAN: Will you furnish that, Mr. Chrysler?

Mr. CHRYSLER, K.C.: We will furnish anything you ask.

The WITNESS: We could not furnish such a statement. We could go back for a number of years. But prior to that we did not separate the 50 per cent from the net earnings after the company was first taken over. For a number of years the returns to the Grand Trunk Railway were not separated and it would be impossible to do it now, but we can go back a number of years.

By Mr. Chrysler, K.C.:

Q. How far?—A. Possibly ten or twelve years.

By Mr. McCurdy:

Q. I do not know whether you can advise us on matters of policy, but perhaps you can tell us why you departed from the original custom of taking all the net earnings and absorbing them into the treasury, and at a subsequent date begin to operate this company as an independent company with a traffic agreement with the railway, and also carried out at the end of the year no operating profits?—A. The main reason was we came under the Railway Commission, and they required us to do it.

Q. When did you come under the Railway Commission?

Mr. CHRYSLER, K.C.: The first of January, 1905. The first of February the Commission was inaugurated.

Mr. MCCURDY: Your statement, in order to be complete should show the total receipts which the express department of the railway shows. Then by taking 50 per cent of that we can find roughly what profits the Grand Trunk made over a number of years, in excess of the payment for express privileges.

By Mr. Loggie:

Q. On B sheet in 1914 you say the net profits are $88,816.—A. Yes.

Q. Whereas on A sheet you show a loss of 0·76 per cent?—A. That is on the transportation revenue, sir. That does not include our non-transportation revenue. By adding our non-transportation revenue we produced that profit.

Q. As a matter of fact these are your net profits on B sheet?—A. Yes.

Q. And roughly speaking you made 5 per cent on your capital in 1915?—A. In 1915 we made $31,000. We figure it at about one and one-half per cent.

Q. That is on a capital of $660,000?—A. Our capital is $1,742,000.

By the Chairman:

Q. How much money did you put into paid up capital stock?—A. $660,000.

Q. And how much since then?—A. $242,200.

Q. How much working capital in all?—A. $902,200.

Q. You are confusing the original purchase price of the stock and the amount paid in since. You have outstanding stock represented by what amount?—A. $1,742,200. I would like to add one thing about exhibit "A." In the report of Mr. Payne's evidence there is a similar statement to this covering the Dominion Express Company, but for some reason or other, it does not give the Canadian Express. I think probably it would be interesting to have the two companies together. Then I have added to it two items: one showing our gross receipts from all sources, and the transportation revenue, because I understand that the ratios as given in the report are based on our gross receipts from operation, whereas it is a charge that should be properly figured from the transportation revenue only, because we pay nothing out in the way of operating expenses or express privileges on our non-transportation revenue. I thought it advisable to put these two in so that you could distinguish the difference between our transportation revenue and our gross receipts, which include revenue from all sources.

By Mr. Sinclair:

Q. You are quite familiar with both companies, are you?—A. To what companies do you allude?

Q. The Dominion Express and the Canadian Express Companies.—A. Just the Canadian Express Company, sir.

Q. Have you an agreement with the Grand Trunk Railway Company, a written agreement?—A. No, sir.

Q. What is the value of your equipment according to your last statement?—A. It stands on our books, I think, around $450,000.

Q. Have you any other assets excepting equipment?—A. No, sir.

Q. No real estate?—A. That includes real estate. The real estate represents $260,000 and the balance is the ordinary wagon equipment for delivery and pick up service and so on.

Q. Where did that come from, did you acquire that out of revenue?—A. No, sir. The shareholders furnished it and stock was issued against it.

Q. In what way?—A. The Grand Trunk Railway are the shareholders of the company. When we wished to purchase any equipment of that kind, or property, they the shareholders, furnished it and stock was issued against it.

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Q. When you told us that $902,200 represented all the cash that had been put up, did you include the money that was advanced to purchase equipment?—A. Yes, sir.

Mr. CHRYSLER, K.C.: It was the addition of that sum of $242,200 to the $660,000.

By Mr. Sinclair:

Q. You have expended how much in equipment in addition?—A. Around $450,000.

Q. Did you place a value on that equipment yourself?—A. No, sir.

Q. Who did that?—A. It is done in one of our offices, I am not familiar with the matter. An inventory is taken every year, and the property is valued.

Q. What do you write off for depreciation?—A. It varies considerably according to the class of equipment. The life of some equipment is very much shorter than the life of others.

Q. You could not give me a percentage?—A. An average percentage?

Q. Yes, an average percentage?—A. I do not think I could. I cannot recollect all the items just now. The life of a horse is much shorter than the life of a wagon. A sleigh has a much longer life than a waggon has, and so on.

Mr. CHRYSLER, K.C.: The safe lasts longer than any of them until it is burgled.

By Mr. Sinclair:

Q. Is the valuation based on the market price of the articles?—A. No, I should say not. We do not usually value at the market price. We take it at its value to us, what it is worth to us, at the time.

By the Chairman:

Q. Does your company own any express buildings?—A. No, sir. What do you mean by express buildings?

Q. Take for instance the Transportation Building in Montreal. That is owned by an express company, is it not?—A. Yes, the Dominion Express Company.

By Mr. McCurdy:

Q. Where are your offices in Montreal?—A. In the Canadian Express Company building.

Q. Do you own that building?—A. No, sir.

Q. Who does own it?—A. The Grand Trunk Railway.

By the Chairman:

Q. You pay a rental, do you?—A. Yes, sir.

Q. What rental do you pay?—A. I think it is about $18,500 a year; in that vicinity anyway. It is between 15 and 20 thousand dollars.

By Mr. McCurdy:

Q. Is there included in that sum the right to call the building the Canadian Express Building?—A. No, sir.

Q. Why is it called the Canadian Express Building, if it is not your building?—A. I cannot answer that question.

Q. Is it for advertising purposes?—A. I presume so.

Q. Then it is something you are getting from the Railway Company for nothing?—A. Well, there is the advertising.

Q. You call it your own building?—A. We are paying rent for it.

Mr. CHRYSLER, K.C. : What Mr. McCurdy refers to is the use of the name.

The WITNESS: From an advertising standpoint it is worth something.

By Mr. McCurdy:

Q. Then that advertising value is included in the rental?—A. Yes.

By Mr. J. L. Payne:

Q. Just to have one or two points cleared up before the committee: Do you, or Mr. Chrysler, take exception to my having presented to the committee figures relating to all the express companies? Did you see the later evidence given before this committee by myself?—A. Yes.

Q. Did you see there the figures for each of the Canadian Express Companies?—A. Yes.

Q. Then Mr. Chrysler could not have seen that or he might not have taken exception to it. In the statement he presented here regarding the Outside Ocean Operations, are those figures gross or net?—A. They are net.

Q. And do you include in your operating expenses any of the operating expenses for that?—A. No, sir.

Q. It was hardly proper to bring those in there?—A. Except that in the report to the Department they are in.

Q. You are mixing the two—the net in the one case with the gross—are you not?—A. Yes, sir.

Q. You would not do that in this case?—A. But you require it in your forms.

Q. No sir, not there. Do you say so?—A. Yes, sir.

Q. Well then, you are absolutely wrong. Now, Mr. Williamson, do you suggest to this Committee that any figure I gave here was in any sense misleading, wrong or in way different from the figures which you have sworn to and furnished the Department of Railways and Canals?—A. The opinion of the Canadian Express Company is that stopping at net operating revenue is apt to create a wrong impression. It would convey the idea that these figures represent the profits made by the Company, whereas we feel that in order to advise the Committee, or any one else, of the correct statement, it is necessary to show the special circumstances, such as that taxes, which are not permitted to be included in the operating expenses, should be deducted from the net operating revenue and carried to its logical conclusion.

Q. I agree with you, but there is misrepresentation on the face of this account.—A. I could not say, I think not.

Q. And the figures you find to be quite accurate?—A. With the exception of the addition of these Outside Ocean Operations; otherwise they are identical.

The CHAIRMAN: Mr. Payne, you had better identify the schedule to which you are referring as the one on page 169 of the evidence.

By Mr. Payne:

Q. What proportion of your express privileges are given to the Grand Trunk Railway Company?—A. Fifty per cent.

Q. I mean of the total amount paid as express privileges by your Company, what percentage goes to the Grand Trunk Railway Company?—A. I should judge about 80 per cent of the total.

By the Chairman:

Q. How much goes to the Intercolonial?—A. Of course there are two Companies on the Intercolonial. Our proportion probably is about $200,000. It varies of course from year to year.

Q. What was the effect of the reduction in rates by the Railway Commission on your gross revenue? What percentage would you assign as the effect of that reduction?—A. As a matter of fact, our Company was not affected by it except to a very small degree. We were not operating out West, we had no through line out there.

By Mr. Payne:

This Express slump seems to have occurred in 1914. What year did the parcel post go into effect?—A. I think on the 1st February, 1914.

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Q. Therefore, between February and the end of June you were pretty well warned you were having a vigorous competitor in the Post Office Department?—A. Yes.

Q. Why did you not exercise greater care with regard to your operating expenses or your controllable expenditure?—A. We did, Mr. Payne.

Q. The figures would not indicate that. A. You cannot always pull your expenses down at a moment's notice, you cannot always figure that depression is going to continue. But as soon as ever it showed signs of becoming an extended depression, you will notice the expenses were pulled down; but we could not possibly pull them down at the time the slump occurred.

Q. I think, Mr. Williamson, I will agree with you so far as your Company is concerned. I think your Company did fairly well in the matter of improving the conditions, and have not the least criticism of the Canadian Express Company in that regard. So that the Committee may be very definitely advised as to one or two matters, you have told them about your capital of $1,742,000. You bought, or the Grand Trunk bought the interest of the Canadian Express Company, for $600,000. That would leave $1,142,200 over and above the cash payment, wouldn't it?—A. Eight hundred odd thousand.

Q. You paid $600,000. A. Yes.

Q. And you then had $1,142,200?—A. That had nothing to do with the original capital.

Q. Your present capital is $1,742,200?—A. Yes.

Q. Which was $1,500,000 plus $242,000?—A. Yes.

Q. That is plus what you bought from the original Company. A. Just so.

Q. What was any of this capital used for, Mr. Williamson? Was there any money ever passed except the $600,000?—A. Only the $242,200.

Q. What did you do with that?—A. It was put into buildings and outside equipment.

Q. Express equipment?—A. Yes, sir.

Q. Is that so stated in your report to our Department?—A. Yes, sir.

Q. Are you quite positive?—A. Yes, sir.

Q. That any of your equipment is charged to capital?—A. Yes, sir.

Q. You are quite positive about that?—A. Yes, sir.

Q. You should have taken care then to correct the statement I have repeated every year in my report, that no Company's capital has ever been applied to anything except their own personal property.—A. I think we have done so.

Q. Not that I am aware of.—A. I think we have. In the statement on page 19 of the report furnished your Department, we showed that there were 15,000 shares of common stock outstanding and the total cash realized was $660,000, and that we issued for railway property and equipment, common stock to the number of 2,422 shares of a value of $242,200.

Q. Did any of it go for equipment?—A. All of it.

Q. You have considerable real estate, and you told the Committee, I think, that none of the revenue or operating expense attached to that real estate is attached to your report which we are here considering. A. Yes, sir. It shows separately in the report.

Q. But the operating expenses and earnings are not included with your Express earnings, it is an addition to income?—A. Yes, sir.

By the Chairman:

Q. When was that last stock issued, Mr. Williamson, what year?—A. I think $37,000 of it was issued two years ago, and one hundred and ninety and some odd thousand dollars was issued about three years ago.

Q. Had it not been that it was the custom to turn over to the Grand Trunk Railway all the net profits of the business done, it would not have been necessary to issue that stock in order to raise money?—A. No, we could have raised it out of earnings.

Q. When the Grand Trunk Railway purchased that stock it was really purchasing it with money that had been paid to it out of the treasury of the express company.

Mr. CHRYSLER, K.C.: In past years.

The WITNESS: That is the effect of it, of course.

By the Chairman:

Q. You referred to the Interstate Commerce Commission on one or two occasions. Will you state whether or not there is any agreement between the express companies in Canada and those in the United States whereby the regulations of the Interstate Commerce Commission govern the traffic in both countries?—A. No, sir.

Q. Then why do you quote the Interstate Commerce Commission regulations and base rates?—A. Because the Department of Railways adopted their form, they adopted the form for express companies, and I only spoke of them in connection with the financial returns. Mr. Payne adopted their forms as being suitable for express companies, which is the only reason I spoke of them.

By Mr. Payne:

Q. You are not conveying the impression that the function I exercise is the same that the Interstate Commerce Commission exercises over rates?—A. No, sir.

Q. One question I forgot to ask. In my statement to this Committee, I said that operating expenses and express privileges had steadily risen, while during the last two years gross receipts had declined. Is that according to the fact?—A. The express privileges have not risen except as the whole. They have not risen, I think you will find that a fact.

Q. In your company?—A. No, you will find we have a rather heavy decrease in 1915 over 1914.

Q. But you had an increase in express privileges in 1914 of 150 odd thousand dollars. In 1913 the express privileges were $1,518,292. In the following year, 1914, they were $1,666,473, whereas your gross receipts from operation increased something like $17,000?—A. Yes.

Q. I was referring there, of course, to all the companies, not to yours specially?—A. I can explain that.

Q. In your case, it would not apply?—A. There is a feature about it, Mr. Payne, that you are probably aware of. In 1914 we were permitted to include the Grand Trunk Pacific payment in our express privileges, and in 1913 we showed that in income account. That increased the percentage for 1914 much above the other.

Mr. KYTE: How many express companies did you aggregage, Mr. Payne, in giving this statement to the Committee some weeks ago?

Mr. PAYNE: Two statements were made that covered eight companies, of which four were Canadian and four were American. But the operations of the American companies in Canada are quite small.

Mr. KYTE: In the evidence that you gave you stated that the profits in 1911 were $1,207,929 and that last year they were reduced to $68,668. What did that statement apply to?

Mr. PAYNE: To all express companies operating in Canada.

Mr. KYTE: You stand by that statment?

Mr. PAYNE: Absolutely, and Mr. Williamson will endorse that, I think.

By Mr. McCurdy:

Q. I understood you to say, Mr. Williamson, that your arrangement with the Grand Trunk was for 50 per cent?—A. Yes.

Q. Is it still in effect?—A. Yes.

Q. Can you send us a statement which will show your agreements regarding express privileges on each line?—A. Yes. Mr. Payne has it in his report.

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Mr. PAYNE: Only a summary of it.

By Mr. McCurdy:

Q. Supposing you have an arrangement with the Michigan Central to pay 40 per cent of your receipts, for instance?—A. That would be shown in the report on p. 37, I think.

By Mr. Payne:

Q. Mr. McCurdy is asking about the whole agreement. You do not send us the whole agreement?—A. He is speaking about the rate we pay. The report shows the agreement. It shows 40 or 45 or 50 per cent whatever it may be. Mr. Payne has that in the report on p. 37.

By Mr. McCurdy:

Q. There is no "joker" in these agreements is there, no provision for rebates? —A. Absolutely none.

Q. We want to see how the terms made with other railways compare with the parent company?—A. Yes.

By Mr. Kyte:

Q. The provisions contained in one agreement may differ from provisions in the other?—A. Yes.

By the Chairman:

Q. Are you familiar with the agreements.—A. Yes, I would not like to say off-hand.

Q. Can you say whether or not there is an agreement between the Grand Trunk Railway and the Canadian Express Company whereby the railway company undertakes not to carry any freight on passenger trains?—A. I never heard of it, sir.

By Mr. Sinclair:

Q. Is this express business profitable to the railways?—A. I could not say.

Q. You do not know what it costs to haul a ton of express freight a mile, there is no scale?—A. No, sir.

Q. A railway man can tell you that?—A. I have my doubts.

Q. Express freight is no more difficult to haul than any other kind?—A. Yes, it is.

Q. In what?—A. In the first place, it is the volume of business, the labour involved in producing this kind of statistics would cost more than we are making.

Q. I am talking of the railway altogether, not of the express company. I want to know if it is a profitable business for the railway company, this express business? —A. I could not say that, sir.

By Mr. Copp:

Q. Referring to statement Exhibit B, I want to see if I understand this properly. The third column, I understand, gives the total receipts for all your express business in each of the years from 1911 to 1915?—A. From all sources.

Q. Now, the next column gives what you paid to the different railways for carrying this express business?—A. Yes.

Q. Now, the next column is operating expenses. What is included in that, generally speaking?—A. Salaries, maintenance of equipment, expenses of tariffs come next. It is classified under four general headings: Expense of tariffs, etc., advertising, and then comes what we call transportation expenses, salaries, at all points, commissions paid agents, cost of delivery service, maintenance of stables, etc., loss and damage.

Q. Loss and damage, do you mean for goods lost?—A. Yes, lost or damaged.

Q. What comes under "Sundry special expenses?"—A. There are items that we are obliged to put in what is termed the income sheet, if you recollect, on p. 31, and we are not permitted to put in operating expenses.

Q. What does it include?—A. Taxes, for the main thing, because they did not permit us to put them in the operating expenses; that would be taxes by the provinces, and by the municipalities all over the country. The taxes in 1912, the year you are speaking of now, were $33,434, but there is an amount charged to the Grand Trunk Railway of $45,346, which they did not permit us to put in as express privileges at that time.

Q. The operating expenses for the year 1911 were $1,111,116. and the gross receipts wer $2.693.205?—A. Yes.

Q. In 1914 you did $3.456.072 worth of business and your operating expenses were $1,661,834, an increase of $550,718?—A. Yes.

Q. Do you not think that is a very heavy increase?—A. I have already explained that is caused by the back work, we caught up with the work and that of course increased the amount.

Q. It strikes me as a very great spread.—A. It is largely brought about by the conditions of labour and the extra cost.

Q. You cleaned everything up in 1914?—A. Yes.

Q. The next year it was $1,503,629, and you paid—?—A. That went down because our receipts went down, because it was a normal year.

Q. I understand from this statement you have given to the committee that your total profits, the net profit on your whole business had decreased. in 1911 it was $240,021, and the net profits in 1915 amounted only to $31,187.—A. Yes.

Q. That is a true statement of the company?—A. Yes.

By Mr. Payne:

Q. I would just like to ask one question. Of course the evidence which I gave to the committee the other day had primarily reference to express companies. The committee is after the wrong man to some extent. I understood you to say that the increased operating expenses were largely due to the additional cost of labour?—A. Yes.

Q. You were there speaking of the Canadian Express Co.?—A. Yes.

Q. Have you examined the general statistics sufficiently to enable you as auditor of the express business to know and say that the increase of 1914, the year in which revenues were going down, for all the companies, that the operating expenses increased in any other way?—A. I think they did.

Q. Then it could not have applied to wages and salaries alone, could it?—A. Yes.

Q. In that year, when you were doing considerably less business, you had an increase in the cost of renewals, etc., and there was an increase in a great many items that had no reference whatever to salaries and wages, is not that a fact?—A. Yes.

By the Chairman:

Q. How long have you been auditor of this express company, Mr. Williamson?—A. Twenty-three years.

Q. And the books of the company are in your custody?—A. Yes.

Q. When will you be able to furnish the committee with the information which is asked for, those two statements?—A. Are there two statements wanted?

Q. I think Mr. Payne asked you to supply one, did he not?—A. Mr. McCurdy asked me to supply a statement.

By Mr. Sinclair:

Q. Will you give us those statements for ten years, or as long as you can give them, and also a summary of the agreements with the other companies?—A.Yes, I can do that, I can mail them to you to-morrow.

APPENDIX No. 3

By Mr. Chrysler, K.C.:

Q. The committee will understand that we have had our rates revised by the Railway Board, taking effect July 1, 1915. I want to ask just one question, of Mr. Williamson, were there any other conditions affecting the position of the express companies, their expenses, or any other factor, apart from the fixing of the rates, imposed by the order of the Railway Board. Was there anything involving extra expenses to the company in the rulings of the Railway Board in connection with the carrying on of their business?—A. I think so, a number of decisions have been given, some of them most important. One was an extension of our free delivery limits. The pick up and delivery of goods is one of our principal items of expense and these have been in a number of cases extended, and that has, of course, increased our expenses correspondingly without any increase of revenue from it.

By Mr. McCurdy:

Q. I think I recollect reading some years ago that they had abolished the free delivery parcels in Montreal?—A. No, sir, the limits have been extended very largely.

By Mr. Loggie:

Q. I suppose on the Intercolonial railway since both companies have been operating, the business is not so good to the Canadian Express Company as it used to be? —A. No, sir, not when it is a case of dividing the business.

Q. And the operating expenses, or such expenses as you have, are practically the same as they were before?—A. Very largely.

By the Chairman:

Q. What is the average cost of delivery per parcel?—A. We have not those statistics. It depends wholly upon the distance and whether you have 50 parcels going in the same direction, or only one.

Q. Have your ever attempted to ascertain what it cost you on the average for the delivery?—A. No, sir.

Mr. PAYNE: Just before Mr. Williamson retires, since he, with others, has been called here to correct what the express companies regard as a false impression given by my evidence, I want to say frankly to the committee that I had not the Canadian Express Company at all in my mind in relation to the extraordinary fluctuations of revenue and operating cost of express companies.

The CHAIRMAN: Mr. Chrysler, you handed in this evening, memoranda entitled "Appendix to Memorandum filed on behalf of the Canadian Express Company and the Dominion Express Company." I see it begins with extracts from the report of the Interstate Commerce Commission upon the general inquiry into Express Rates in the United States. I asked the question as to whether or not the regulations of the Interstate Commerce Commission govern in Canada, and the answer both from the witness and yourself was that they do not. The only reason the Interstate Commerce Commission was referred to here at all was because the Department of Railways in getting statistics from the companies, introduced a certain standard form which had been adopted by the Interstate Commerce Commission. That being the case, what is your object in offering this appendix? Do you want it to go into the records?

Mr. CHRYSLER, K.C.: Yes, sir. I do not know whether the committee will care to consider it. Might I say a few words in this connection?

The CHAIRMAN: Surely.

Mr. CHRYSLER, K.C.: The extracts in question were taken from the judgment of the Interstate Commerce Commission, which held a complete and extensive inquiry

into what they called the "Rates, Practices and Methods of Express Companies Operating in the United States," a general inquiry very similar to the one adopted here by the Railway Commission, with this difference: The inquiry over there followed the one conducted in this country, and the Interstate Commerce Commission's judgment is dated June 8, 1912. The judgment was pronounced by Mr. Lane, who was at that time one of the commissioners, but is now secretary of the Department of the Interior in the United States. Mr. Lane is a very distinguished man, and his judgment is a very able one.

Mr. McCURDY: Mr. Lane is a native of Prince Edward Island, by the way.

Mr. CHRYSLER, K.C.: Yes, he is a native Canadian. The extracts refer to matters which are merely common to the business in both countries, that is as to the relations between Railway Companies and Express Companies and the way in which rates are founded. It was introduced by me largely because Mr. Payne stated there was no basis of making the rates. To some extent he is quite correct. But that judgment contains in a few words the best definition I have seen anywhere as to the method of determining what is a reasonable rate for the Express Company, and I thought it would do no harm, that it was germane to a discussion which Mr. Payne introduced in his evidence, to place before the Committee authentic extracts from a most important report of the Interstate Commerce Commission.

The CHAIRMAN: There is this difference between Express privileges in Canada and the United States, is there not? In Canada 90 per cent, according to Mr. Payne, of the volume of express business is carried by Express Companies which are railway owned, and 10 per cent is carried by companies which are not railway owned. In the United States, strangely enough, the conditions are exactly reversed: 10 per cent only of the volume of express business, according to Mr. Payne's evidence, is carried by Express Companies which are controlled by railways, and 90 per cent by companies not controlled by railways.

Mr. CHRYSLER, K.C.: By far the greater portion certainly is. It is for that reason I think it would be instructive for the Committee to have these extracts before them in order to form an opinion respecting a system in the United States which, in almost every regard, is similar to our own except that in the United States the Express Companies are largely independent companies and operating at arm's length from the railways.

The CHAIRMAN: And then further we have to realize that in this country very large assistance has been granted by the Dominion and Provincial Governments and various municipalities to railways. Does the Committee see any objection to incorporating this appendix in the evidence?

Mr. SINCLAIR: I see no objection to it.

The CHAIRMAN: I see no objection to it either, but the conditions are not the same in the two countries.

Mr. CHRYSLER, K.C.: I would also point out this: There is contained in the appendix the very closest definition of what is a reasonable express rate set forth in about ten lines from Mr. Lane's judgment. Another point deals with the method of payment for express privileges between express companies and railway companies in the United States.

Mr. SINCLAIR: I see no objection to the incorporation of the appendix in our records.

By Mr. Sinclair:

Q. Is your American business calculated in your profits?—A. Yes.

Q. Is it a very large business?—A. No, sir.

APPENDIX No. 3

Q. What proportion does it bear to the rest of your business?—A. Probably two or three per cent. Not more than three per cent.

Witness discharged.

Mr. PULLEN, President of the Canadian Express Company, recalled and further examined.

Mr. CHRYSLER, K.C.: Perhaps you would like to ask Mr. Pullen about some points Mr. Williamson was unable to answer.

Mr. MCCURDY: The only question was as to the business of the railway company. I suppose Mr. Pullen is in the same position as Mr. Williamson?

Mr. PULLEN: I am an officer of the Express Company, not the railway company, and in that respect I am in precisely the same position as Mr. Williamson.

By the Chairman:

Q. Have you a written contract betwen the Canadian Express Company and the Grand Trunk Railway Company?—A. No.

Q. I asked the previous witness as to whether or not there is an agreement by which the railway company undertakes not to haul any freight on passenger trains. Do you know if any such agreement exists?—A. I never heard of such an agreement.

Q. Is it possible to haul the large refrigerator cars on express trains?—A. Yes.

Q. With safety?—A. Yes, if they are properly equipped according to the Master Carbuilder's regulations and subject to the capacity of the locomotive power.

By Mr. Sinclair:

Q. The express rates are similar in the case of both the large Companies operat-

Q. They are not?—A. No, sir.

Q. Are they on exactly the same scale?—A. The rates are prescribed by the Board of Railway Commissioners and are the same for all companies.

Q. You cannot raise the rates except by the consent of the Board of Railway Commissioners?—A. The tolls may not be raised above the maximum rates prescribed by the Board of Railway Commissioners without their consent. If they are raised with the existing rates they are lower than the maximum rates are. If a raise is made it is always subject to the challenge of the public, and explanation to the Board of Railway Commissioners, and in any case the rates are filed with the Board.

Q. The companies are at liberty to raise it to what is known as the maximum rate without reference to the Railway Commission if they chose?—A. That is correct.

Q. Are they always up to the maximum?—A. No, sir.

Q. They are not?—A. No, sir.

Q. But still they keep the same rates, practically the same rate for the same class of goods on both lines?—A. You mean the rates by the Dominion Express on the one hand, and the Canadian Express on the other?

Q. Yes?—A. Usually that is the case.

Q. If the Canadian Express Company decide to raise the rate on any particular article, they consult with the other express company?—A. Not necessarily.

Q. They do not?—A. But we should not be likely to raise the rate between the competitive points if the other company did not raise their rate, because of course we would lose all the competitive business.

Q. Would there be any objection to your lowering the rate?—A. There is always objection to cutting the rate, because it reduces revenue, and therefore profits.

Q. But outside of your own company?—A. Absolutely not, nothing to prevent us except our good judgment as to what it is proper to do under those circumstances.

Q. I noticed about the freight regulations something published in the newspapers not long ago, that the Canadian Northern attempted to lower the rates, and the other railways objected and brought the matter before the Railway Board, and the Railway

Board decided against the lowering of the rates. Did you see that?—A. I did. I was not interested in it and did not read it. I had no such experience with the express companies.

Q. I just wanted to know if there was ever an understanding between the companies about rates?—A. Oh, no. We are at liberty to reduce rates, and the Dominion Express Company is at liberty to reduce rates whenever they want to, so far as any understanding with us is concerned.

By Mr. Chrysler, K.C.:

Q. But you cannot reduce them without filing the tariff with the Board?—A. Whatever reduction in rate is made must be filed with the Board.

By Mr. Loggie:

Q. Your rates are very largely based on the double rates of first class freight?—A. They are based on the scale established by the Board of Railway Commissioners.

Q. It is based on what the first class freight would be when doubled?—A. I could not say as to that.

Q. The Dominion Express Company have theirs on a tonnage basis rather than on a percentage basis.

Mr. CHRYSLER, K.C.: The payments to the railway companies?

Mr. LOGGIE: Yes.

By Mr. Loggie:

Q. Yours is on a percentage basis?—A. Percentage of the gross receipts from transportation.

Q. Whereas the Dominion Express is on a tonnage basis?—A. I understand it is.

By Mr. McCurdy:

Q. A Californian told me many years ago that the Southern Pacific Railway was supposed to base its rates on the maximum amount the traffic would bear. Is that the practice of your company?—A. No, I do not think so.

By the Chairman:

Q. Where rates are under the maximum rates, they are competitive rates?—A. Only between competitive points, common points.

Q. In that case you do make your rate below the maximum in order to invite business?—A. Yes.

By Mr. Sinclair:

Q. You hold the same view as the last witness that your company is in a position to compete with the parcel post for packages more than five pounds for long distances?—A. I would not want to give any expert evidence on that detail because I am not familiar with it. Mr. Williamson, in addition to being our general auditor, is our Superintendent of Tariffs, and has a better knowledge of details of rates than I have.

Q. Have the large concerns any special privileges from your company that smaller ones have not?—A. No, sir. They could not under the Canadian Railway Act, for discrimination is absolutely forbidden you know.

Q. Eaton's for example, have the same rate as anybody else?—A. Yes.

Q. There is no way of evading that, is there?—A. No.

Witness retired.

The CHAIRMAN: It is very unlikely that we can conclude the taking of the evidence of the other witnessess to-night, and I would suggest that the Committee adjourn.

Committee adjourned until 3.30 p.m. the following day.

APPENDIX No. 3

Appendix, to memorandum filed on behalf of the Canadian Express Company, and the Dominion Express Company.

Extracts from the Report of the Interstate Commerce Commission upon the General Inquiry into Express Rates, in the United States.

(Reported in Interstate Commerce Commission Reports.)

The report of the commission is dated the 8th of June, 1912, and is reported in the Interstate Commerce Commission, vol. xxiv, page 380, etc.

The report is the work of Commissioner Franklin K. Lane, a member of the Government of the United States, a very distinguished public man, in the United States, and a native of Prince Edward Island.

Value of Express Property as Rate Basis.

"A reasonable express rate may not be fixed upon the basis of the value of the property owned and used by the express company."

"What is the value of its property?"

"Clearly we cannot take the mere horses and wagons, desks, and stationery, as the value of a property, used in giving an expedited movement of freight by rail carriers. The railroad furnishes the property, that is the most valuable, and gives the greater portion of the service.

"If we are to base the rate upon value of property used (and certainly this is a primary consideration) we must consider not alone the express company's property, but that of the railroad that is used in giving these services; and once this is done it is quite evident that all of the estimates of the monumental earnings of the express companies based upon their investment in property are misleading."

(Page 424)

What is a reasonable rate?

"A reasonable express rate is one which gives reasonable compensation to the rail carrier for carrying a small package upon a passenger train, or a train going at passenger speed, plus a reasonable compensation for the service of gathering, care, and delivering, which the express company as such renders. Manifestly, under this definition, there should be a higher return to the railroad for the carriage of express matter than it receives upon its freight traffic. This should be so because of the superior character of the service given, as well as to prevent the movement of ordinary freight upon passenger trains under express rates."

(Page 455)

Payment for Express Privileges.

"Contracts between the express companies, and the railway companies covering express privileges, provide various bases of payment to the railways for their part of the transportation service, e.g., on a fixed daily, monthly, or yearly payment basis; on a tonnage basis, at a fixed rate per hundred-weight, or at a fixed multiple of the freight rate; and on a percentage basis. The prevailing basis, however, is the percentage basis, whereby specified percentages varying from 15 per cent to 70 per cent of the gross receipts of the express companies are paid to the railway companies."

CANADIAN EXPRESS COMPANY

AUDITING AND TARIFF DEPARTMENT.

MONTREAL, April 14, 1916.

C. Jameson, Esq., M.P.,
House of Commons,
Ottawa, Ont.

DEAR SIR,—In accordance with my promise to your committee last evening, I beg to state that we are paying for express privileges on roads than the Grand Trunk Railway as follows:—

Atlantic, Quebec and Western Railway	45% of gross receipts.
Cape Breton Railway	20c. per 100 pounds.
Central Vermont Railway	45% of gross receipts.
Chatham, Wallaceburg and Lake Erie Railway	40% "
Dominion Coal and Iron Company	50% "
Intercolonial Railway	50% "
Inverness Railway and Coal Company	40% "
London and Lake Erie Railway	40% "
Maritime Railway and Coal Company	45% "
Montreal and South Counties Electric Railway	40% "
Prince Edward Island Railway	50% "
Quebec, Montreal and Southern Railway	45% "
Quebec Oriental Railway	45% "
Salisbury and Albert Railway	40% "
St. Martin's Railway	33⅓% "
Sydney and Louisburg Railway (local business)	45% "
" " " (through business)	40% "
Temiskaming and Northern Ontario Railway	50% "
Windsor, Essex and L. S. R. R.	40% "

I intended to send you the net profits of this company prior to 1911, but find it takes a little longer than I anticipated, but expect to mail it to you not later than to-morrow morning.

Yours truly,

W. W. WILLIAMSON,
General Auditor.

CANADIAN EXPRESS COMPANY

AUDITING AND TARIFF DEPARTMENT.

MONTREAL, April 14, 1916.

C. Jameson, Esq., M.P.,
House of Commons,
Ottawa, Ont.

DEAR SIR,—Following up my letter of last night inclosing statement of the roads operated by this company, and the percentages paid to same, I now beg to give you the net profits of the company back to the year 1900 as follows:—

Year ending	December	31, 1900	$154,334 74
"	"	31, 1901	149,747 92
"	"	31, 1902	180,043 23
"	"	31, 1903	228,471 65
"	"	31, 1904	239,741 06
"	"	31, 1905	214,346 67
"	"	31, 1906	226,425 10
"	"	31, 1907	194,546 64
"	June	30, 1908	187,046 53
"	"	30, 1909	184,697 10
"	"	30, 1910	226,011 95

APPENDIX No. 3

You will notice I have been obliged to give you the years ending December 31 down to 1907, as it was not until 1908 we compiled our Statements for the year ending June 30 in order to comply with the requirements of the various commissions, and I am not at this date able to give figures for the fiscal period ending June 30 for the years prior to 1908, but no doubt these figures will be just as satisfactory to you.

Yours truly,

W. W. WILLIAMSON,
General Auditor.

CANADIAN EXPRESS COMPANY.—Statistics of business on same lines as shown in Report of Fish Investigation Committee at Ottawa, Ont.

Year.	Gross Receipts from Operations.	Transportation Revenue.	Express Privileges.	Operating Expenses.	Sundry Expenses.	Total.
	$	$	Per cent.	Per cent.	Per cent.	Per cent.
1911	2,693,205	2,613,458	49·04	42·51	2·31	93·86
1912	3,052,462	2,962,797	46·81	45·49	4·35	96·65
1913	3,433,602	3,346,320	45·37	47·05	4·42	96·84
1914	3,456,072	3,341,983	49·86	49·73	1·17	100·76
1915	3,168,683	3,100,781	50·13	49·36	1·67	101·16

W. W. WILLIAMSON,
General Auditor.

MONTREAL, QUE., April 10, 1916.

CANADIAN EXPRESS COMPANY.—Statistics of business on same lines as shown in Report of Fish Investigation Committee at Ottawa, Ont.

Year ending June 30th	Gross Receipts from Operations.	Outside (Ocean) Operations.	Total Gross Receipts.	Express Privileges	Operating Expenses.	Net Operating Revenue.	Sundry Special Expenses.	Net Operating Income.
	$	$	$	$	$	$	$	$
1911	2,689,698	3,507	2,693,205	1,281,557	1,111,116	300,532	60,511	240,021
1912	3,046,186	2,276	3,052,462	1,386,874	1,347,773	317,815	128,845	188,970
1913	3,443,602	.....	3,433,602	1,518,292	1,574,352	340,958	147,996	192,962
1914	3,450,246	5,826	3,456,072	1,666,473	1,661,834	127,765	38,949	88,816
1915	3,162,809	5,874	3,168,683	1,554,428	1,530,629	83,627	51,949	31,678

W. W. WILLIAMSON,
General Auditor.

MONTREAL, QUE., April 10, 1916.

CANADIAN EXPRESS COMPANY

AUDITING AND TARIFF DEPARTMENT.

MONTREAL, April 14, 1916.

C. Jameson, Esq., M.P.,
House of Commons,
Ottawa, Ont.

DEAR SIR,—Referring to my letter of the 15th inst., which gave your committee the net profits of this company back to the year 1900 up to the year 1910, I would suggest that for the sake of completeness and for the purpose of easy comparison it would have been much better had I combined these figures with the five years furnished you on the stand, and I have added the five years 1911 to 1915 below, which, if you think entirely satisfactory, may be substituted for those contained in my letter of the 15th instant:—

Year ending	December	31, 1900	$154,334 74
"	"	31, 1901	149,747 92
"	"	31, 1902	180,043 23
"	"	31, 1903	228,471 65
"	"	31, 1904	239,741 06
"	"	31, 1905	214,346 67
"	"	31, 1906	226,425 10
"	"	31, 1907	194,546 64
"	June	30, 1908	187,046 53
"	"	30, 1909	184,697 10
"	"	30, 1910	226,011 95
"	"	30, 1911	240,021 00
"	"	30, 1912	188,970 00
"	"	30, 1913	192,962 00
"	"	30, 1914	88,816 00
"	"	30, 1915	31,678 00

Yours truly,

W. W. WILLIAMSON,
General Auditor.

HOUSE OF COMMONS,
ROOM No. 301,
FRIDAY, APRIL, 14 1916

The committee met at 3.30 p.m., the Chairman, Mr. Jameson, presiding.

Mr. WILLIAM HERBERT PLANT called, sworn and examined.

By Mr. Chrysler, K.C.:

Q. What is your position?—A. General Auditor of the Dominion Express Company.

Q. How long have you been Auditor?—A. I have been Auditor of Traffic since 1908, Auditor in charge of all transportation since 1909 and General Auditor since 1913.

Q. The company fyled two statements with the memo yesterday. Will you look at this statement, Exhibit B, and state how it is headed?—A. "Statement Operating Revenue from Transportation years ending June 30th".

Q. What would it show?—A. This shows by years the gross transportation revenue in the first column, for 1911, 1912, 1913, 1914 and 1915. The second column shows the amount paid for express privileges, the third column the operating expenses inci-

dental to transportation, and the fourth column taxes incidental to transportation, and the fifth column, the net revenue, or in the last two years the net deficit from transportation within Canada.

Q. Mr. Payne has fyled a statement which is printed in the record. Will you tell us in what respect it differs from yours?—A. The record filed by Mr. Payne gives the gross receipts from operations within Canada of both transportation and other than transportation. The express privilege is based on transportation only. It is the same as mine. The operating expenses the same as mine, with the exception that I take out of Mr. Payne's figures the non-transportation expense. I then include the taxes, because that is an expense against the transportation business. It must be included to arrive at the net revenue from transportation.

Q. And the last column is that net revenue according to your figures. Then the first column, "gross transportation revenue" will differ from Mr. Payne's figures because he has included other figures than those belonging to transportation revenue. The express privileges will be the same.

M. PAYNE: Mr. Plant might very well explain here why he has done that.

Mr. CHRYSLER, K.C.: Mr. Payne will kindly not interrupt my explanation.

THE WITNESS: I will answer that if you will permit me.

Mr. CHRYSLER, K.C.: I prefer you should continue with me for the present. I am merely stating a fact. We will get the explanation afterwards.

THE CHAIRMAN: What was the question you asked, Mr. Payne?

Mr. PAYNE: That Mr. Plant should clearly explain why his figures differ from mine. He knows perfectly well that neither the Interstate Commerce Commission nor the Department of Railways could require him to make the statement in the form he has presented it. I can only give it in the form which I have it.

Mr. McCURDY: It would expedite our business if the witness would proceed with his statement and we will take up the cross-examination afterwards.

THE CHAIRMAN: I think the tables had better be explained first, then we can get detailed explanations afterwards.

Mr. CHRYSLER, K.C.: I have had some experience in handling witnesses and I do not require Mr. Payne to enlighten me.

THE CHAIRMAN: I think it my duty to say when, in my judgment the witness should be asked a question to clear up some point that arises, and subject to the ruling of the committee, I propose, to exercise that privilege.

Mr. CHRYSLER, K.C.: I am not questioning that, I have no right to be here at all, except with your permission. When I was interrupted I was trying to clear up what the witness had said.

By Mr. Chrysler, K.C.:

Q. The first column "Gross transportation revenue" you have already told us does not agree with the figures Mr. Payne has given in his statement? Tell us what is the difference?—A. The difference is the revenue from other than transportation operations. The details of that are given in the Annual Report at page 35 and consists of custom house brokerage fees, rents for buildings and other property; money orders; foreign cheques, travellers' cheques, C.O.D. cheques, telegraph transfers, postal remittances—all financial paper.

Q. Those are reported separately?—A. They are reported separately in this report at page 35.

Q. And the figures which you have given in the first column of your statement are the other revenue, with the exception of these items which you have just read. —A. The figures I have given, you will observe in the report for 1915 which I have, are $6,007,923.78, gross transportation revenue on page 35 of the report, reading, "Total revenue from transportation."

Q. That is the question I asked you, take the year 1915, since you have referred to it, and $6,007,923.78, is the whole revenue from transportation, after excluding the figures you have mentioned as revenue from other sources. Is that clear?—A. There is no need to exclude any figures, the figures are shown absolutely separate in the report. It gives "Total Revenue from Transportation" and "Total Revenue from Operations other than Transportation." I can show you the figures in the report.

Q. Just stop there. Is the difference also shown, because if it is also shown we have the figures that you are dealing with here?—A. The difference between Mr. Payne's figures and mine, I take it, you mean.

Q. These figures "Total Revenue from Transportation" and "Total Revenue from other than Transportation" are separately shown?—A. Yes, and added together they give the figures that Mr. Payne has.

Q. Then the figures which you have given in this first column are, as reported, the total revenue from transportation?—A. They are reported on page 35 of the Annual Report supplied to Mr. Payne.

Q. And the other items from 3 to 14 below are classified in the report as "Revenue from Operations other than Transportation."—A. They were very clearly shown item by item.

Q. And are these included in Mr. Payne's first column?—A. They are.

Mr. CHRYSLER, K.C. That is all I want to know. Then there was no difficulty.

By Mr. Sinclair:

Q. You are referring to the books of the company, are you?—A. Yes.

Q. When you say "3 to 14", we do not know what it means at all?—A. Those are the numbers of the accounts, it is very much more convenient to number those than to have them called by names.

Mr. CHRYSLER, K.C.: Would you like with regard to these items that we should give you a copy of that page. The document the witness is referring to is a copy of the annual Report made to the Bureau of Statistics for the year 1915, and he is referring to page 35.

The CHAIRMAN: Is a duplicate of that on fyle in the department?

Mr. CHRYSLER, K.C.: Oh yes, sir.

The WITNESS: This report is made to the Department sworn to by myself as General Auditor and by Mr. Stout as President of the Company.

The CHAIRMAN: I think when any documents are quoted from they should be filed. Have you a copy of that available, Mr. Payne?

Mr. PAYNE: I have a copy of that right here, but I am a little in doubt in my mind whether I ought to put it in here.

Mr. CHRYSLER, K.C.: A copy of that page would be all that is necessary.

Mr. PAYNE: All right. I can have it copied.

By Mr. Chrysler, K.C.:

Q. Well then, the column of "Express Privileges" is exactly the same as Mr. Payne's figures are, using them both?—A. Yes.

Q. The figures of expenses you said are confined to the expenses connected with transportation, and these also are separated in the report?—A. They are shown entirely separate.

Q. Then the taxes for the year 1911 you say were not separated. Where do they appear, or do they appear at all?—A. They appear in 1911 in the expenses for this reason——.

Q. Never mind the reason?—A. I must tell you why. In 1911 we were not working under the accrual system, 1911 was the first year we made reports, and the first year's report we made was made on our own plan, and we always kept the charge

for taxes as part of the expense. On July 1st, 1912, we started the accrual system to conform with the report which we had to make.

Q. Is that the first year you made a report?—A. We made a report for 1911 on our own system, the only system we had. We changed as soon as we knew we had to report at the next fiscal year, in accordance with the form required.

Q. And in that form the taxes are separately entered, as payments, but they are not included in the operating expenses, is that right?—A. Exactly.

Q. Then we come to Exhibit A. Exhibit A is merely a column of percentages. Will you tell me what the percentage in the first column is and what it is derived from?—A. The first column represents the percentage which the operating expenses incidental to transportation bear to the gross revenue from transportation.

Q. And they are as shown?—A. Yes.

Q. And the second column is the percentage in taxes?—A. The percentage which the taxes bear to the transportation revenue.

Q. And they are separately set out here. The third column is the percentage of money paid for express privileges?—A. The third column represents the percentages which the total amount paid for express privileges bears to the gross revenue from transportation.

Q. Would you say the total amount would include the moneys paid to all the railway companies over which the Dominion Express Company operates?—A. Yes.

Q. And over how many railways is the Dominion Express Company operating in Canada?—A. I think, offhand, 32 and some stage routes.

Q. Never mind the stage routes.—A. The number is given on page 37 of the report. I will just count them for you.

Q. That is near enough, you need not count them, you say 37?—A. The list is all given here—did I say 37?

Q. Yes.—A. I should have said 27, it is nearer 27 or 30.

Q. But the payment to the Canadian Pacific Railway is the principal one, is it?—A. The payment to the Canadian Pacific Railway is about 90 per cent of the total payment for express privileges.

Q. What is the mileage of the Canadian Pacific Railway over which you operate, do you know?—A. The mileage of all the railroads is shown on page 11 of the report. I will read to you: "The Canadian Pacific Railway, mileage 1915, June 30, 12,913.46."

Q. Then the last column, I take it, is the addition of the other three?—A. Yes. In other words, the last column represents the percentage which the sum of the operating expenses, the taxes and the express privileges making up the total expenses, bears to the transportation revenue.

Q. Well, we will look first at the column "percentages paid for express privileges." Do these figures as to the ratio agree with those of Mr. Payne?—A. They increase the ratio, for the simple reason——

Q. Never mind the reason. The ratio is larger than that shown by Mr. Payne in his table on page 168. Of course, inspection will show that. What is the reason then?—A. The reason is that if you take the gross receipts and divide it into the amount you paid, which is based on transportation only, you get a less amount than if you take the transportation earnings only and divide it into the same amount.

Q. Otherwise, the process is the same?—A. The process is the same, but our figures are correct.

Q. Now, then, confining our attention to percentages in Exhibit A, we will just put them in the evidence, so it can be understood?—A. I beg your pardon. I said our figures are correct. They are correct. Mr. Payne's percentage is correct, but he has applied it, of course, to——

Q. We are not saying they are not correct. Their fractions make a different set of figures. In 1911 the percentage paid for express privileges, according to your table, Exhibit A, was 46.83 per cent. According to Mr. Payne's, it was 45.7. In 1912, according to Exhibit A, it was 45.69 per cent, in 1913 it was 46.11, in 1914 it was

49.81, and in 1915 it was 53.84. So that in these figures there is no increase between 1911 and 1912, a slight diminution: 1913 is somewhat less than 1911. That is also true of Mr. Payne's fractions?—A. Yes.

Q. So that the increases which have occurred in this percentage are between 1913 and 1914?—A. They are.

Q. 46.11 increased to 49.81 between 1913 and 1914. The percentage of 1914 increased to 53.84 in 1915. Now, have you any statement to give us as to the reason for the increase between the figures of 1913 and 1915?—A. I have a statement showing the difference between 1913, 1914 and 1915.

Q. Perhaps you might say in a word or two so the Committee will understand what you are introducing figures for, what it is that you assign as the reasons for this increase in the ratio of payments for express privileges?—A. I will hand you a statement showing the same figures. (Statement produced and handed in as Exhibit C).

Q. What does this statement show?—A. This statement shows the same figures as are shown in Exhibit B.

By the Chairman:

Q. Please read the title of this into the record?—A. The title of this is "A Comparative Statement of Transportation Revenue and Expenses for years 1913, 1914 and 1915," it being understood, of course, that these represent fiscal years ending June 30.

By Mr. Chrysler, K.C.:

Q. Now, in the first line of that statement you have shown for these three years the revenue for transportation, the figures being the same as those shown in the first column of Exhibit B?—A. I have.

Q. Then go on and tell us what is the next figure headed, 1914, 1913?—A. 1914 and 1913, the forth vertical column, represents the increase or decrease of 1914 figures when compared with 1913.

Q. And the percentage follows in the next column?—A. Yes, sir.

Q. Then in the next column there is the difference between the figures of 1913 and 1915?—A. Yes, sir.

Q. And then a percentage follows?—A. Yes, sir.

Q. And the next column is the difference between 1914 and 1915 in amount?—A. Yes, sir.

Q. And the percentage?—A. Yes, sir.

By Mr. McCurdy:

Q. Are figures shown in blue increases, and decreases in red?—A. Yes, decreases are shown in red.

By Mr. Chrysler, K.C.:

Q. Then the next line is the column of expenses of transportation?—A. Paid railways for transportation.

Q. For express privileges, so called, in Exhibit B, and the same figures so used for the three years 1913, 1914 and 1915. And the next item in that line is the increase in the amount paid for transportation between 1913 and 1914, which is $178,687.39, and the percentage of increase which is 5·393?—A. Yes, sir.

Q. The next item is a decrease between 1913 and 1915?—A. Yes, sir.

Q. In the amount paid railways?—A. Yes, sir.

Q. And the percentage of decrease?—A. Yes, sir.

Q. And the decrease in the amount paid between 1914 and 1915 is next shown.—A. Yes, sir.

Q. Being $257,069.91, the increased percentage being 7·362?—A. Yes.

Q. These so far only show certain variations in the amount of revenue and variations in the amounts paid to Railway Companies for Express Privileges?—A. Yes, sir. The next column represents the expenses of operation divided into the four

groups: maintenance, traffic, transportation and general. The total is the same as shown in Exhibit B in the expenses.

Q. And the difference in percentage is carried out for these in the same way? —A. Yes, sir.

Q. The taxes are separately shown below for each year?—A. Yes, sir.

Q. The result is the net transportation revenue, gain or loss, as is already shown in Exhibit B?—A. Yes.

Q. Now, what about these expenses? We might as well deal with them and leave them. Take the expense privileges first?—A. In the year 1914 and 1913 comparison you will notice an increase of $178,687.39 or 5.393 per cent, while in the revenue just above it you will notice a decrease of $175,000.29. The statement has been made that in the face of falling revenue we have increased our payments to railways with the object of concealing or eliminating profits. I wish to explain to you the reason for that, and to have it go on record that the statement as made was not correct, and was made possibly unintentionally but nevertheless with a full knowledge of the fact. I will give you, Mr. Chrysler, a further statement, Exhibit D. This statement shows the tonnage statistics. It is a comparative statement of tonnage for the years 1913, 1914 and 1915.

Q. You have given separately for the Canadian Pacific Railway and all other lines. It is called "Local through lines." What do you mean by the word local?—A. Local through other lines.

Q. You have given for the Canadian Pacific and for each of the other lines separately the number of pieces carried and the weight for each year?—A. Yes.

Q. Also, although it does not seem very important, it may be of interest, the number of consignments for each year.—A. Yes.

Q. You have also given a note that the number of pieces in 1913 includes special shipments, whereas for the years 1914 and 1915, special shipments are not included, are they?—A. Not included, but shown separately.

Q. Consisting of 239 carloads, I believe?—A. Yes, sir.

Q. 14,380 pieces?—A. Yes, sir.

Q. And a weight of 3,564,032? These are carload shipments? You have given a similar statement for the year 1915. Also in that year there are two trains of munitions separately shown. What are you eliminating by taking out these special shipments?—A. We have been relying for such statistics in the matter of cost and cost accounting, expense ratios, things of that kind, average weight per packet, etc., and we found that if these special carload shipments were included it affected very considerably the averages. We therefore wish to separate them from the package business and show them separately. We started on July 1st, 1913.

Q. And the first year in which that took effect was the year ending June 30th, 1914?—A. Yes.

Q. The average weight per package was in 1913, was 33.39?—A. Yes.

Q. The next year, 1914, it was 35·86, and for 1915, 36·27. Now, weight of consignment. What do you mean by consignment?—A. A consignment is a shipment which may consist of several packages.

Q. All that you put under one bill, really?—A. Yes.

Q. The packages are what the Committee would be interested in. Just look at the weights per package. The average weight per package of 33.39 for the year 1913, includes all special shipments?—A. Yes, sir.

Q. And would be therefore larger than if you had excluded them?—A. Yes, sir.

Q. Excluding the special shipments in 1914, the average weight is increased as shown, 35.86?—A. It has not increased that much. That is what it had increased to, 35.86.

Q. It increased again in 1915. In the latter two years the special shipments, and in the year 1915, the munitions, were excluded in this computation of average weight?—A. Yes.

Q. You have made a summary below, what does it show?—A. That summary includes everything. That is, the carload shipments are included to get the total weight and pieces and consignments. The 1914 figures are set under the year 1913 for the purpose of comparison, and a difference is shown either of decrease or increase underneath the comparison. The figures for 1915 are shown under 1913 in a similar manner, to show the decrease, increase and the comparison. The years 1915 are dealt with similarly.

Q. Now, take the results for the year ending 30th June, 1913. The total weight is 380,915,616 pounds?—A. Yes, sir.

Q. For the year ending 30th June, 1914, the total weight is 420,749,764, an increase of nearly forty million pounds.—A. Yes, sir.

Q. The weight falls off in 1915?—A. It is 11,661,000 less than 1914, but it is more than 1913.

Q. That is the business by weight, now what is the object of this comparison? What does that prove?—A. The ratio, as I have explained, has been attacked.

Q. Never mind the attack?—A. The reason for that is this: On July 1st, 1913, we had a reduction of rates at the first of the year 1914, a reduction of rates of 20 per cent.

Q. You had it, you mean it was ordered by some one?—A. It was ordered and came into effect in 1913.

Q. By whom was it ordered?—A. By the Railway Board.

Q. Now, Mr. Williamson said yesterday, that he did not think that it affected his company The Canadian Express Company very much in its revenues?—A. In the case of the Dominion Express Company it affected us considerably.

Q. Why?—A. Because we are operating in the west where the rates were reduced.

Q. On what date did it go into effect?—A. July 1st, 1913.

By Mr. Turgeon:

Q. You say it affected the Western section only?—A. It affected the western section, west of Fort William, and some through rates were also affected, but the principal rate reduction was in the section west of Fort William.

By Mr. Chrysler, K.C.:

Q. Then you said it did affect in money the receipts of the Dominion Express Company?—A. 20 per cent reduction in the "Headline" rates, 12 per cent reduction in the business affected and it made about 5 per cent reduction of our entire receipts from transportation.

Mr. CHRYSLER, K.C.: Might I, Mr. Chairman, read this to the witness and ask him if it is correct. It is one sentence from the Board's judgment? "The reduction now ordered would, on this basis amount to.....a direct reduction of 20 per cent on the charges based on this gross sum would amount to..... Applying a reduction of 20 per cent on the standard maximum tariffs for traffic classified as merchandise."

Q. That is the reduction that was made that I was asking you about?—A. That is the reduction that I referred to.

Q. Was that reduction all over Canada or merely in the rates west of Fort William?—A. The rates west of Fort William were reduced but I understand they affect also some other rates.

Q. That we need not go into, but I only asked for an explanation as to how it affected you more than the Canadian Express Company?—A. We are represented in the west and consequently we bore a very large share of the reduction which affected our business very considerably.

Mr. SINCLAIR: Would you be kind enough, Mr. Chrysler, to tell us what the purpose of this examination is now?

Mr. CHRYSLER: Well, sir, it is a very limited purpose. We want to show to the Committee the reason why there is an increase in the percentage paid for express privileges particularly in the year 1915 over 1914.

The WITNESS: And in 1914 over 1913.

Mr. CHRYSLER, K.C.: That is all.

Mr. SINCLAIR: I did not notice that in our examination as far as we have gone there has been any complaint that the express rates were increased last year, if there was I have no recollection of it. We were told by some of the witnesses that the express rates were high and that the express facilities were poor, but I do not recollect that the question of exorbitant rates was made an issue.

Mr. CHRYSLER, K.C.: Except in the evidence of Mr. Payne, and he did not make any direct statement, only that he was surprised at the increase and that it was inexplicable. He said that the figures showing the ratio between the net operating expenses and the gross revenue disclosed an increase which was inexplicable to him. If you do not wish an explanation we are quite satisfied with that. It was a fact that we thought would impress the committee and we do not want to spend a minute on it if you don't wish it.

The CHAIRMAN: The object of the inquiry has been to ascertain as far as we could the cause of the spread in the prices of fish in Canada, and incidental to that we have had the evidence of certain people with respect to the express rates and the business of the express companies. Some statements which Mr. Payne made have apparently animated the express companies with the desire to come here and give us further information. We want to get on, and we want to get, as briefly as possible the express companies' side of the case. We are not going into the whole question of express rates; that is a subject into which we are not inquiring.

Mr. KYTE: Confine your evidence to answering what has been stated by Mr. Payne if you think his figures have given a wrong impression.

Mr. CHRYSLER, K.C.: The only thing is that Mr. Payne did not state anything definitely, but the impression which one would draw from his evidence is that the Company should explain why there is such a large increase in the percentage paid for express privileges compared with the gross receipts of the company.

The CHAIRMAN: I think you explained that in the memorandum which is to be incorporated in the evidence. Is it necessary to go further with this, or is there anything which has not already been covered. You have put in schedules A, B, C and D?

WITNESS: Yes.

By the Chairman:

Q. How many schedules have you there?—A. It depends upon how far you wish to go. If you wish us to defend ourselves from the attack I have a property statement showing every cent of capital, all paid up.

By Mr. Sinclair:

Q. What is the capital?—A. $2,000,000, every cent of it paid up.

Q. Who owns the stock?—A. The Canadian Pacific Railway owns all the stock.

The CHAIRMAN: If Mr. Chrysler has finished his observations is there any member of the committee who desires to ask the witness any questions?

Mr. CHRYSLER, K.C.: The only point is that these figures are all here and they show exactly what the Company did, the increase and the percentages.

Mr. MCCURDY: They speak for themselves.

The CHAIRMAN: Now, Mr. Payne, do you wish to ask the witness any questions?

Mr. PAYNE: I certainly do, Mr. Chairman.

By Mr. Payne:

Mr. Plant, one of the reasons why you express people are here, I take it on a statement made last night by Mr. Chrysler and Mr. Williamson, is that the figures which I presented to this committee with regard to the profits on express business in Canada had been exaggerated, and that by taking some other plan of figuring those profits would be reduced?—A. You ask me that question. I say that has not anything whatever to do with our coming here. We come only to show this Committee and you that your insinuations that we have increased the payments to railways with the object of eliminating profits is absolutely wrong, and that you knew it, that I have your letter to show it and you also print it in your 1914 report. The next thing we come to do is to show that we showed you in your room, when Mr. Stout, Mr. Pullen, Mr. Williamson and yourself were present the details of our capital, and you acknowledged that your criticism was wrong and that you had not intended to give the press the impressions you did. Yet you come to this committee, and you give it here more venomously than ever. That is what we are here for, to show that your figures submitted are wrong. And we want the Committee to ask you to retract, just as graciously as you did for the Canadian Express Company last night, your misstatements regarding the Dominion Express Company.

Mr. PAYNE: If you come with that idea, you are going to meet with a big surprise.

The CHAIRMAN: Please, do not get into any wordy warfare here. The time of the committee is valuable.

Mr. PAYNE: I wish most emphatically to deny that I made any such statements before this committee.

Mr. PLANT: May we accept that as a retractation of our idea of what has been said, that you absolutely made no such statement, and that you did not mean anything of that kind?

Mr. PAYNE: I will let it rest at what I have said.

By Mr. Payne:

Q. I would ask you to look at the year 1913 and tell me what I put down your net operating revenue at?

The CHAIRMAN: What page of the evidence are you referring to?

Mr. PAYNE: Page 169.

The WITNESS: You ask me what you put our net operating revenue at? It is $786,000.

By Mr. Payne:

Q. Identify and tell the committee what report I am handing to you now (handing book to witness)?—A. The report for 1913.

Q. Is that your report, sworn to by you?—A. It is.

Q. Look at page 31, and tell me what were your final profits that year?—A. What do you mean by "final profits?". You were speaking of net operating revenue, and now you speak of final profits.

Q. What was your actual total profits?—A. Our actual total income from all sources, revenue within Canada, outside operations, that means over the ocean; other income, meaning dividends on stocks which we owned, funded debt which we own, bank balances, and rent of buildings, was $914,478.02.

Q. Then I could not possibly have exaggerated your profits, did I?—A. We are not saying that you exaggerated our profits. We said that you show here an operating revenue, meaning operating revenue within Canada only, in which you have not included any taxes paid against that revenue in Canada. To that effect it is wrong. In any other way it is not.

Q. Are your taxes deducted from your income operating revenue there?—A. The taxes are deducted before you arrive at that, as you will see by looking at the report.

Mr. PAYNE: I am quite familiar with it. I think, we may consider, Mr. Chairman, that matter disposed of.

The WITNESS: Say what you mean.

Mr. PAYNE: I mean in the pretence that I have in any way exaggerated the profits of the express business in Canada. As illustrated by the experience of the Dominion Express Company in 1913, I certainly did not so far as that company is concerned.

The WITNESS: My answer is, Mr. Payne is asking me to state——

Mr. CHRYSLER, K.C.: Mr. Chairman, I do not think there has been in the whole of this evidence up to this point any discussion with regard to the profits of the Dominion Express Company. It has been entirely a question of the alleged increase in the ratio of money paid for express privileges by the companies to the railways.

Mr. PAYNE: I will come to that, Mr. Chrysler. But last night Mr. Williamson was examined at considerable length, that if the income account of the Canadian Express Company had been carried to its final conclusion the profits would not have been as shown in my statement. Now, I have asked Mr. Plant to identify his report to the department, and so far as the year 1913 is concerned, he certainly would not say so.

The WITNESS: I certainly would say that the impression created here is absolutely wrong. You ask me to state the final profits from all sources, and I do so as shown in my report. I have also said that that comes from overseas business which you do not include in your statement at all and other revenues, which I have mentioned, and which are not used exclusively in the express business. There is an entire difference. Your statement is represented to mean the profits from operations within Canada, and to the extent that you have eliminated the taxes within Canada it is wrong, otherwise it is right.

The CHAIRMAN: Go on with the next question.

Q. Now let us come to this question that Mr. Chrysler raises, and it really was the essence of my statement before this Committee. Will you tell the Committee what is the effect on your net operating revenue of a rising scale of operating expense and a rising scale of express privileges?—A. The word scale is capable of misunderstanding. If you mean the amount paid to railways has increased owing to having more tonnage, that having more tonnage our operating expenses are increased, and that owing to reduction of rates we have lost revenue, those conditions make a net loss of revenue absolutely.

Q. Quite so, then if I stated to the Committee that as a result of rising express privileges and rising operating expenses your net profits have to a considerable extent been eliminated I was just stating what you have just now told me.—A. You stated that you had no idea—somebody asked you if the figures were not bona fide and you said:—

Mr. COPP: I do not think it is necessary to go back over what has been already published. This witness is stating something we already know, something which Mr. Payne has stated and which is already on our minutes. If we cannot get more concise answers from this witness I am not going to spend my afternoon here, I am going to attend to some other work.

The CHAIRMAN: (To witness) Please make your answers as concise and to the point as possible.

Mr. COPP: The witness is not answering the question at all. He is proceeding to state what Mr. Payne has said and that is already on the record.

The WITNESS: Mr. Payne is on record as saying he did not know. If you refer to Mr. Payne's report of 1914 he refers to the increase of weight in that year as against 1913. He also refers to the reduction of rates. I have his letter here intimating to me in language, just the same as he did in the Committee, that it was appalling. I wrote him giving the explanation and yet he says he will try during succeeding years

to get the information. In the 1915 report he asked for prices and weight and we gave it to him. He says he had no reason given for this. I say he had.

Mr. COPP: If you are going to argue the case after the evidence is all in, I have no objection, or Mr. Chrysler can do it. I object to your making the argument now.

Mr. PAYNE: I only wish to ask Mr. Plant one more question. I wish to put an end to anything in the nature of personal debate between Mr. Plant and myself. There has been altogether too much said about Mr. Payne in this matter.

The WITNESS: I do not want to indulge in personalities, but simply to clear up this matter as far as you and I are concerned. I wish to place myself on record on account of the position which Mr. Payne has taken, and which is damaging to us.

Mr. PAYNE: I will only ask Mr. Plant one more question. Then I will crave the privilege of putting in a written statement which will obviate a great many questions and put an end to a great deal of argument.

The CHAIRMAN: What is the question?

By Mr. Payne:

Q. You have said, Mr. Plant, that your company has $2,000,000 of capital and that it is all paid up. Now, will you kindly tell the Committee and tell me, for I would very much welcome the information, what you have done with that $2,000,000. —A. In your annual report, if you will turn to page 29, you will see a condensed schedule of property amounting to $2,000,000.

By the Chairman:

Q. What report is that?—A. We were asked what we had done with our $2,000,000 capital—

Mr. MCCURDY: $2,000,000 cash.

The WITNESS: Just a minute please, I am answering a question. May I?

Mr. MCCURDY: I understood Mr. Payne's question to be, "What have you done with the cash you received".

The WITNESS: With the capital we have paid out over as you will see at page 29 of the report, $2,000,000.

Mr. SINCLAIR: Give us the details.

The WITNESS: Here they are (reads):—

Real estate, buildings and pictures	$2,003,968 47
Automobiles	21,772 43
Car safes (stationary)	22,895 21
Double wagons	27,372 23
Four-wheel trucks	66,261 18
Horses	123,956 75
Messenger safes	13,623 89
Office furniture and fixtures	61,786 62
Office safes	82,583 25
Single wagons	117,252 14
Sleighs	47,135 00
Stable equipment, including harness	20,315 31
All other equipment	101,275 57
Total	$2,710,190 00

You asked me what was done with the $2,000,000. There is the answer. On page 61 of the report you get a detailed statement by classes of the equipment, which corresponds with this condensed report.

By Mr. Payne:

Q. What report am I handing to you now? Is it your sworn report for the year 1914?—A. It is.

APPENDIX No. 3

Q. What have you answered there as to the issue of stock when you were asked the question: "Issued for real property and equipment". What word did you put in there?—A. I have written in "None". As I told you, capital stock was issued for cash, and we paid out the cash for property.

Q. When you were asked to give a sworn return to this Department, you must not accuse me of misleading you if I find you returning that you did not issue any stock for real property and equipment. Did you buy any extra equipment with your $2,000,000?—A. Absolutely yes.

Q. Why did you not so return it?—A. It is reported as having been paid up in cash. I say that we expended the cash for property.

Mr. PAYNE: I have nothing further to ask Mr. Plant. I wish to be allowed to put in a statement, and it will take only a minute or two to do so.

By Mr. McCurdy:

Q. I want to congratulate you on the mass of detailed statistics which you have placed before the committee and which contain much information. I would like to follow up some of the questions which have already been asked. What was the date on which your company was organized when it began business?—A. You will find that answer in judgment of Judge Mabee.

Mr. CHRYSLER, K.C.: Answer the question.

THE WITNESS: 1882.

By Mr. McCurdy:

Q. What was the paid up capital at that time?—A. $100,000 was paid in at the inception of the company.

Q. In cash?—A. In cash, 10 per cent on a capital at that time of $1,000,000.

Q. Did you at any subsequent date pay in additional sums to the treasury in cash? —A. We have paid in ever since all the $2,000,000 capital. It has been absolutely paid in to the treasury in this way: It came from earnings, of course, but when we needed equipment, instead of declaring dividends we purchased it.

Q. Do you say the Canadian Pacific Railway owns the entire capital stock of this company?—A. Yes.

Q. Do I understand from your answer that the total amount of cash furnished by the Canadian Pacific and paid in for stock was $100,000?—A. At the first, at the inception of the company, yes.

Mr. CHRYSLER, K.C.: The company was not originally owned by the Canadian Pacific. It was an independent company, like the Canadian Express, and that $100,-000 was paid in before the Canadian Pacific bought it.

THE WITNESS: That was not right, I beg your pardon.

Mr. McCURDY: I think we had better find out who is qualified to speak for the company.

THE WITNESS: I am the witness and I have the records here.

By Mr. McCurdy:

Q. Was the Canadian Pacific the original owner of this company's capital stock? —A. Not the original owner. The Company was purchased by the Canadian Pacific Railway.

Q. From whom?—A. I don't know the names of the people, it was in 1882, but there was a very small amount paid for it out of the actual amount put into the stock of the Express Company by the Canadian Pacific Railway.

Q. I would like a direct answer to this question.—A. I wish to give a direct answer.

Q. If you will simply answer the questions asked and not add any further statement it will be much better.

The CHAIRMAN: If we are ever going to get through with this inquiry we must shorten it up. (To the witness): If you go on adding statements to your answers you will be prolonging, not expediting the proceedings.

The WITNESS: My desire is to give you a complete answer. If you will put your question I will try to do so.

By Mr. McCurdy:

Q. I will ask you the question again. Who were the original owners of what is known as the Dominion Express Company?—A. I cannot say that, because I have only the details of a payment made for it. In buying out the old company, $5,800 was paid. I do not know who it was paid to but that is what was paid for the old company out of the $100,000 which the C.P.R. contributed as capital, being 10 per cent of $1,000,000. Is that a direct answer.

Q. Do I understand this $5,800 is the amount the Canadian Pacific paid to acquire the stock?

Mr. CHRYSLER, K.C.: The charter, I think.

A. The charter. There was not any stock when the Canadian Pacific put in their $100,000.

Q. What became of that $100,000?—A. Oh, every bit of it was paid out for equipment or for the running expenses of the business. It was actual capital paid in.

Q. Do I understand you to say that the C.P.R. paid into the treasury of the express company, just $100,000?—A. Absolutely, in cash.

Q. You, and your counsel, have stated that this express company was acquired from the previous owners?—A. Yes.

Q. How can the railway company pay cash into the treasury of the express company and at the same time purchase the stock from these previous owners?—A. If you wish to make a purchase of anything you have to have money to purchase it with.

Q. Certainly, nobody will object to that assertion?—A. Therefore $100,000 was paid in cash to buy out the old company, for which $5,800 was paid. The balance of it was left in the treasury of the Dominion Express Company to purchase equipment and to carry them over, running expenses, or whatever it was for.

Mr. CHRYSLER, K.C.: You will also see that it covered the charter, and whatever the terms of that charter were. There is no doubt that the charter contained a provision, as most of the charters did in those days, and probably do still, that before commencing business the company had to pay up 10 per cent, and from what the witness says, I think they paid the charter expenses, of $5,000 odd out of the $100,000.

By Mr. McCurdy:

Q. It went into the treasury of the express company?—A. Yes, this will answer you, the cash book.

Q. So then this $100,000 paid into the treasury of the express company did not bring into the treasury of the C.P.R. any capital stock of the express company? Who did the C.P.R. buy it from?

Mr. CHRYSLER, K.C.: The witness says he does not know but I recollect it was Sir George Kirkpatrick and others who owned it in those days.

By Mr. McCurdy:

Q. How much was paid to Sir George Kirkpatrick and his associates?—A. $5,000.

Q. That is what I understand from the answer I got before?—A. I will qualify that amount by one more payment; they paid to Sir George A. Kirkpatrick for time and outlay in organizing the company, $1,750, and they paid for the other $5,800.

Q. So that left the express company about $94,000 in its treasury for carrying on its business?—A. Yes.

Q. Did the express company at any time receive further payments in cash from the C.P.R. on the unpaid balance of the authorized stock?—A. No, that came out of earnings, it was retained by the express company and used as capital.

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Q. You show in the statement given to the committee to-day, or rather in Mr. Payne's evidence, Exhibit B, Total profits for the year 1913 of $637,221, that statement only goes back to 1911. Can you tell us what the total accumulated net profits of the express company are to date?—A. I cannot do that offhand, because I brought the figures from 1911 to 1915. I can tell you what the accumulated from other than transportation have amounted to from 1882 up to date; it is $1,600,000 and some odd dollars, but I can give you the other figures if you wish it in a minute.

Q. Can you tell us what dividends your company has paid in cash, the cash dividends have been paid by the Dominion Express Company since its organization?—A. From 1882 to date, $3,457,500.

Q. Paid out in dividends?—A. Paid in dividends.

Q. And the value of your properties on hand at the present time free of encumbrances, is?—A. Free from encumbrances. There is a mortgage on two sites which we could not secure free of encumbrance, $40,000 on our Montreal building, and $19,000, I think, on the Vancouver stables. That is shown in the annual report, I will give you the figures.

Q. Those are your liabilities, what is the net value of your properties to-day?—A. The liabilities are $59,000, the $40,000 and the $19,000.

Q. Those are your present mortgage liabilities?—A. And that is on two buildings, the Vancouver mortgage is being written off as it becomes payable on December 1st, 1915, 1916 and 1917. The $40,000 on the site of the Montreal building is payable on the death of the mortgagee. It is shown here on page 41.

Q. I only asked you what the present value of your properties as returned in your annual statement?—A. The present value, or the present cost, if you like, is shown in our annual statement at page 29 as $2,710,190.05.

By Mr. Copp:

Q. And from that is to be deducted your liabilities?—A. That is it; that does not represent the value of course, it is the cost.

By Mr. McCurdy:

Q. And are these properties carried on your books at their value?—A. At the cost with depreciation charged up, a reserve for depreciation.

Q. Do you figure that your charge for depreciation takes care of the actual depreciation?—A. Absolutely, on a scientific basis.

Q. Does it more than cover the depreciation?—A. No.

Q. And the present value of your properties is $2,710,190, less mortgages of $59,000?—A. That is right.

Q. So that Mr. Plant on an original paid up capital of $100,000, I understand that you have either paid out in dividends or hold as accumulated profits, a total value of $6,108,690?—A. Of course not—I do not know where you get those figures from.

Mr. KYTE: Properties and dividends, Mr. McCurdy said.

By Mr. McCurdy:

Q. My question was this: Have your company, up to the present time either paid out in cash dividends, amounting to $3,457,000 or accumulated properties worth $2,710,000, less mortgages, making altogether a total amount of $6,108,000?—A. You are adding our total property to the dividends paid.

Q. The dividends paid and the present cost of your properties together produce a total of $6,108,000?—A. Of course it does, but I do not see the object you are aiming at.

Q. So that since the company began operations in 1882 with a paid-up capital of $100,000 you have realized a profit of $6,008,690?—A. No, sir, our capital will increase as you put it back in to the business. So that to-day you have a paid-up capital of $2,000,000.

By Mr. Kyte:

Q. That has been taken out of earnings?—A. That is all right, but if you are considering what we have to-day the paid-up capital is $2,000,000, made up in over 34 years, and if you are basing your rates to-day you must do so on the basis of that capital stock.

By Mr. McCurdy:

Q. But I understood you to say that the total amount of cash put into your treasury by the Canadian Pacific Railway was $100,000?—A. Yes.

Q. And since you began operations you have paid out in dividends $3,457,500, and you to-day own properties at cost value, after making allowances for amounts owing on mortgage of $59,000, of $2,651,190?—A. Yes.

Q. So that the total profits realized from your original investment of $100,000 has been in that period $6,008,690?—A. Realized from the original investment?

Q. Quite so?—A. And the capital has been increased from year to year as you invest in property. Don't get away from that fact.

Q. I am only talking about the original investment. You have given the amount of cash invested, and you have given it as $100,000, and from that you have received in dividends $3,457,000; you have properties worth to-day at cost value, excluding mortgages, $2,651,190, so that the total profits realized from that original investment of $100,000 are $6,008,690?—A. You must not forget the fact that we have a lot of working cash balances.

Q. Where were these cash working balances obtained?—A. We get the revenue from day to day, we pay the railways at the end of the month after we know what we earn. If you will hunt up our balance sheet you will find that we owe the railways a very large sum. That sum we invest, we do not allow it to remain in the bank. We make a lot of money from that. We may also invest it in property and equipment. But that is working cash balances.

Q. Surely nothing can get into the treasury of your company unless it has been paid in in cash or from earnings?—A. There is a lot of working cash, also current cash belonging not to us at all, and which goes out apparently, but we also get the use of it.

Q. I suggest that from that original investment of $100,000, plus intelligent operation which you undoubtedly have had, you have produced earnings totalling $6,008,600?—A. Yes, sir.

By the Chairman:

Q. You said your company had paid out in dividends $3,457,500. You said there was always a certain amount of current cash in hand, as a result of the express business, which really did not belong to the company. Did you wish to give the impression to the Committee—and if you did not we had better clear it up—that the amount which you have paid in dividends, $3,457,500, and the amount invested in real estate, $2,651,190, totalling $6,008,690, was in any part paid out of moneys which did not belong to the company?—A. Not at all. But I said that the earnings were obtained from that source.

By Mr. Loggie:

Q. Is it possible that this investment in real estate is paid out of the moneys that you call dividends, namely, that three million odd dollars? Is it not possible that $3,000,000 of that was invested in real estate, so that your earnings were only three millions instead of six millions?—A. They represent a dividend which goes to the owner of the stock.

Mr. CHRYSLER, K.C.: Answer Mr. Loggie's question.

The WITNESS: The figures as Mr. McCurdy has them are correct.

By Mr. Loggie:

Q. Something over six million dollars in dividends?—A. Not in dividends.

Mr. MCCURDY: In profits.

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By Mr. Loggie:

Q. It is the same thing. If you do not invest the money in real estate you would have that much more for dividends?—A. Absolutely. If you did not turn it back into the company as capital, you could take what you like for dividends. You have it available for dividends if you wish to use it as dividends. But if you wish to use it as capital you cannot have it as a dividend at the same time.

Q. But you have earned it?—A. Yes.

By Mr. McCurdy:

Q. There is no dispute about the final result. This company, as I understand your evidence, began in 1882 with a paid up capital of $100,000, and since 1882 have earned $6,008,690, which is an average earning on the original investment of 179 per cent per annum, is it not?—A. That is the reason, Mr. McCurdy, the impression is wrong. The original investment is increasing every year. You are implying a wrong interpretation.

Mr. CHRYSLER, K. C.: It is not earned as any profit on that investment. It is almost wholly surplus revenue from the operation of their company.

Mr. MCCURDY: Yes, from all sources.

By Mr. McCurdy:

Q. What is the large item among your assets, Mr. Plant, the large individual item?—A. You mean the property?

Q. Have you a large holding anywhere?—A. I have a statement here. The Montreal office building is $1,463,852.05.

Q. Is that the cost value?—A. The cost value.

By Mr. Loggie:

Q. Known as the Dominion Express Building?—A. Yes, we have paid for it, it belongs to us.

By Mr. McCurdy:

Q. If your cash had not been tied up in properties, that property and the stocks and bonds which you show in your statement of assets, you would have that cash on hand to disburse, would you not?—A. Yes.

Q. Therefore, if you had kept all of your capital in liquid form, and not invested it in buildings, stocks and bonds and other assets, you could from the operation of your company have paid out annual dividends of 179 per cent on your original capital. Or if you had not paid any dividends, you would now have a 6,000 per cent dividend to disburse?—A. I said that part of the money is working cash balances which does not belong to us.

Q. Those moneys are not part of this six million dollars?—A. Absolutely. If you have two millions capital——

Q. You have not that much paid in on your capital.—A. If you have two million increase and over a large period of years. If you have two million capital you can buy property.

Q. You can certainly buy property or anything else with your accumulated profits?—A. You have now answered your question, I think.

Q. It is quite clear from your evidence that the original investment of the Canadian Pacific Railway Company in your express company was $100,000, and from there you have realized profits of over six million dollars. If you had not paid out dividends and had not put anything into buildings, and the earnings had continued for the 34 years of your experience, you would have been earning 179 per cent per annum?—A. You say it is realized from $100,000? I say we have large working cash balances which a large part of that is due to.

Q. Yes, but they come from earnings?—A. They do not come from earnings. They are in the course of transit through our office.

Q. That is altogether apart from the property owned by your Company. You spoke of having transit cash balances passing through your hands. That is an entirely different matter from the properties of the Company.—A. You say that we have made all our money on the $100,000 we had before——

Q. Originally your capital was $100,000?—A. Yes, but we make money on the money we have passing through our office.

Q. Yes, and in a lot of other things too.—A. Then your statement is not correct.

Q. You act as customs brokers and receive money from sales, money orders, travellers' cheques and all that sort of thing. Your total earnings have been $6,008,690, and all the cash capital the Canadian Pacific ever paid in, according to your showing, was $100,000. You have said that on July 1, 1913, a reduction was ordered by the Railway Board in your rates for the carriage of parcels. Can you tell us what is the agreement for express privileges with the Canadian Pacific?—A. Yes, to some extent. I have not a copy of the contract with me. We pay on the total tons carried between two points, one and one-half times the first class freight rate. In addition we pay the messengers' fares on the train. That is our contract. There is a minimum guarantee, of which we have spoken in the statement, of $225,000 a month.

Q. When was that agreement made with the Railway?—A. That agreement was made, I think, in 1907.

Q. Has it been altered at any time since?—A. The basis of the agreement has been altered only by a change in the minimum guarantee. It was necessary on account of the increased mileage and volume of business necessitating a very much larger service to carry our goods.

Q. What is the date of the last substantial change in your contract with the Canadian Pacific?—A. January 1, 1915. The minimum was changed from $185,000 to $225,000.

Q. That did not affect the net results though?—A. That changed the net results in 1915 on account of the war conditions. I will give you those figures.

Q. Did you find that the reduction ordered on July 1, 1913, had a prejudicial effect on your business earnings?—A. Yes, sir, very considerable.

Q. What representations have you made to the Canadian Pacific to secure a reduction in the amount charged you for express privileges?—A. We operate as an entirely separate Company with the most scientific contract we could make. We have made no representations to get a better contract, except so far as the Railway is concerned. They have been giving us a bigger service on account of our increased necessities.

Q. Then I understand that following the order of the Railway Commission, which went into effect on July 1, 1913, reducing the prices which you charged for carrying express parcels, you made no representations to the Canadian Pacific Railway for a further reduction of their charges to you?—A. No, sir.

Witness discharged.

Mr. PAYNE: Now, Mr. Chairman, if I may be allowed to present my statement, it will only occupy about five minutes, and there will be no waste of time.

The CHAIRMAN: Is it the pleasure of the committee that Mr. Payne should have the privilege of making this statement?

Consent of the committee having been granted, Mr. Payne read the following statement:—

> I deem it only fair that an opportunity should be given me of presenting in this way a statement respecting my appearance before this committee, and of offering a defence of the figures which I gave respecting the business of express companies operating in Canada. It has been implied that I did not fairly

present the actual profits of express companies, and that I was probably influenced in some degree by prejudice.

As the members of this committee very well know, I did not thrust my evidence upon them. I was summoned to appear. I had not been following the proceedings of the committee, and when called did not know that certain officers of express companies had been heard. I came here with an absolutely open mind, and the course of my evidence was guided entirely by the questions asked me. There was not a trace of prejudice in my feelings, and I should be unworthy of the office I hold if such a reproach had any ground.

The evidence which I gave before this committee was intended to show that up to 30th June, 1913, the express business in Canada had been conspicuously profitable. In the statistical year 1914 it suddenly became unprofitable. I was not able from any information before me to explain this surprising shrinkage of profits, and I so told the committee. It is now complained by the express people that certain observations of mine in that connection had given rise to the suspicion that profits had been wiped out by the deliberate inflation of express privileges and operating expenses. I must not be held accountable for any unwarranted criticism in the public press. I cannot, however, in any way or in any degree recede from the position which I took before this committee.

It does seem to me wholly unaccountable that in the face of a declining revenue express privileges and operating expenses should have been increased in 1914. For the purpose of illustrating the basis of my surprise at the results revealed in 1914 and 1915 I file herewith, marked "A," a statement showing the gross receipts, express privileges and operating expenses of the Dominion Express Company from 1911 to 1915.

The profits of the Dominion Express Company disappeared quite suddenly in 1914, after many years of very profitable business. In that year gross receipts declined by 2·2 per cent, while express privileges increased by 5·4 per cent and operating expenses by 11·7 per cent. This extraordinary change in operating results is inexplicable to me, unless I assume that the company had all at once lost the genius of business. It was now in the dark as to earnings They were falling off, as the result of conditions which were at that very time affecting the business of the whole country; for it must never be forgotten that traffic, whether moved by an express company or a railway company, is the direct reflection of commerce. Traffic and commerce are really interchangeable terms.

The Dominion Express Company did not adjust its operating expenses to meet falling commerce. I am filing herewith a statement marked "B," which shows side by side the operating expenses of the Dominion Express Company for the years 1913, 1914 and 1915. It will be observed that, in the face of declining receipts, nearly every item of operating expenses was increased in 1914 as compared with 1913. I alluded in my evidence to operating expenses as being in considerable measure controllable. I had ample warrant for doing so, and I will tell the committee why.

The Dominion Express Company is owned absolutely by the Canadian Pacific Railway Company. Both are in the business of transportation. They were operating in 1913 and 1914 under identical conditions. If I might offer a professional opinion, I should say that it would be easier for an express company to adjust its operating expenses than for a railway company to do so. Yet what are the facts?

The Canadian Pacific Railway Company in 1914, confronted by the same fall in earnings which had come to the Dominion Express Company, reduced its operating expenses very materially. The transportation expenses of the Dominion Express Company rose from $2,793,049 in 1913 to $3,160,392 in 1914. The

transportation expenses of the Canadian Pacific were reduced from $46,074,299 in 1913 to $42,250,286 in 1914. This comparison I submit is fair and logical. In 1915 the C. P. R. had a decrease of 31·8 per cent in gross earnings; but reduced its operating expenses by 35·7 per cent. It was open to the Dominion Express Company to pursue a similar policy of retrenchment; but whereas its gross receipts fell off by 16·7 per cent its operating expenses were cut down by only 7·9 per cent.

I shall, however, go one step farther. The commercial conditions which lowered both express and railway gross earnings in Canada prevailed also in the United States. I have looked carefully into the returns of the express companies operating wholly on the American side, and I find that in practically every instance they were able in 1914 to reduce their operating expenses to meet loss of gross receipts. They did precisely what other transportation companies did in 1914 in both Canada and the United States. You will see, therefore, why I was surprised and perplexed when the Dominion Express Company stood out as an exception.

The attention of the Committee was taken up almost wholly last night by Mr. Chrysler and Mr. Williamson in an effort to prove that my evidence with respect to profits had been unfair to the express companies of Canada. Such a contention is utterly without force. The Canadian Express Company might be able to show that its final profits were somewhat lower than the net operating revenue which I gave; but the Dominion Express Company would not for an instant allege that my presentation of the facts had in any way exaggerated its profits. As an illustration: I showed the net operating revenue of the Dominion Express Company to have been in 1913 $786,000. If I had followed the plan which Mr. Williamson insisted was fair and proper I should have shown the profits of the Dominion Express Company to have been $914,478 in that year; and that would have been strictly in accordance with the facts. I did not select the method which improperly expanded the profits of express companies; on the contrary, I followed the method which was simple, fair, easily understood and left out of the calculation merely confusing items.

If the express companies have any complaint to make, it is clearly against their own sworn returns. Every figure that I gave was from that source. As to the deductions made therefrom by the press, I can only say that I have neither inspired nor seen such criticism.

Mr. Plant seems to take it for granted that I in my reports intended to give the impression that the capital of $2,000,000 had been used to purchase real estate and express equipment. I think those of you who were listening when he answered my question would understand that he clearly wished that to be the impression of the Committee. I hold in my hand his sworn return to the Department of Railways and Canals for the year 1915 in which he swore that the total cost of the real property and equipment to the 30th of June, 1915, was $2,710,190.05, and that the total amount charged to capital was $93,934.04.

Mr. PLANT: That was referring to the charge to capital for one year's purchase only, that is a different proposition.

Mr. J. L. PAYNE: There is nothing either in the return or anywhere else to indicate the fact that the real estate of the value shown by Mr. McCurdy and the equipment was produced from anything else but surplus earnings.

The committee adjourned.

APPENDIX No. 3

DOMINION EXPRESS COMPANY.

—	Gross Receipts.	Per cent.	Express Privileges.	Per cent.	Operating Expenses.	Per cent.	Per cent of both to total Gross Receipts.
	$		$		$		
1911	5,556,338	.....	2,523,232	.....	2,358,869	.....	.....
1912	6,084,052	+ 9·5	2,674,862	+ 6·0	2,748,276	+16·5	89·2
1913	7,419,872	+21·9	3,313,088	+24·0	3,320,784	+20·8	89·4
1914	7,256,955	− 2·2	3,491,775	+ 5·4	3,708,715	+11·7	99·2
1915	6,220,542	−16·7	3,234,716	− 7·3	3,211,901	− 7·9	103·6

DOMINION EXPRESS COMPANY—OPERATING EXPENSES.

Account.	Amount. 1913.	Amount. 1914.	Amount. 1915.
	$ cts.	$ cts.	$ cts.
I. Maintenance—			
1. Superintendence	3,613 80	3,600 00	3,600 00
2. Buildings, fixtures and grounds	4,661 61	3,256 69	2,208 44
3. Office equipment	10,029 25	11,815 45	8,809 65
4. Cars—Repairs	.....	.....	.....
5. Cars—Renewals	.....	.....	.....
6. Cars—Depreciation	.....	.....	.....
7. Horses	670 00	6,112 60	15,541 21
8. Vehicles—Repairs	30,202 32	36,226 34	16,869 35
9. Vehicles—Renewals	.....	.....	3,852 68
10. Stable equipment	5,156 83	5,141 42	3,047 00
11. Transportation equipment	1,730 28	2,656 58	286 20
12. Other expenses	.....	.....	.....
13. Maintaining joint facilities—Dr	.....	.....	.....
14. Maintaining joint facilities—Cr	.....	.....	.....
Total of Accounts Nos. 1 to 14	56,064 09	68,809 08	54,214 53
II. Traffic Expenses—			
15. Superintendence	49,462 70	38,528 44	32,561 33
16. Outside agencies	1,215 23	840 47	581 26
17. Advertising	13,102 02	11,218 19	4,673 37
18. Traffic associations	1,782 87	5,648 78	2,816 82
19. Stationery and printing	65,859 18	93,975 14	27,853 28
20. Other expenses	11 35	.....	3,017 44
Total of Accounts Nos. 15 to 20	131,433 35	150,211 02	71,503 50

DOMINION EXPRESS COMPANY—OPERATING EXPENSES.—*Continued.*

Account.	Amount. 1913.	Amount. 1914.	Amount. 1915.
	$ cts.	$ cts.	$ cts.
III. Transportation Expenses—			
21. Superintendence	148,794 55	204,102 05	169,511 85
22. Office employees	716,643 51	761,499 08	639,792 39
23. Commissions	338,575 54	359,562 05	340,881 31
24. Wagon employees	290,395 82	323,099 32	289,253 73
25. Office supplies and expenses	92,244 29	139,824 52	109,818 66
26. Rent of local offices	420,408 37	502,359 39	499,817 47
27. Stable employees	29,201 58	24,798 94	31,020 19
28. Stable supplies and expenses	247,374 89	257,748 03	228,744 70
29. Train employees	288,060 43	327,313 29	307,562 25
30. Train supplies and expenses	2,971 27	2,956 48	3,409 96
31. Transfer employees	17,692 00	19,771 35	19,111 07
32. Transfer expenses	13,714 05	12,592 27	10,482 89
33. Stationery and printing	96,443 93	112,439 23	79,333 39
34. Loss and damage—Freight	93,978 29	105,803 98	55,491 55
35. Loss and damage—Money	5,942 09	3,378 75	9,673 99
36. Damage to property	386 94	746 69	747 81
37. Injuries to persons	1,624 79	3,804 25	9,702 13
38. Other expenses	3,354 52	5,809 49	18,780 00
39. Operating joint facilities—Dr	857 35	2,062 84	.....
40. Operating joint facilities—Cr	15,615 06	9,279 71	.....
Total of Accounts Nos. 21 to 40	2,793,049 15	3,160,392 29	2,823,135 34
IV. General Expenses—			
41. Salaries and expenses of general officers	32,380 95	36,587 27	37,667 14
42. Salaries and expenses of clerks and attendants	183,699 06	194,528 35	130,711 33
43. General office supplies and expenses	22,229 65	7,908 93	10,703 92
44. Law expenses	1,400 73	2,723 62	2,473 48
45. Insurance	226 52	12,223 93	7,311 46
46. Pensions	48,589 58	57,146 02	30,000 00
47. Stationery and printing	17,141 89	5,007 75	3,679 81
48. Other expenses	34,658 56	13,176 87	40,500 42
49. General administration joint facilities—Dr	.....	.....	.....
50. General administration joint facilities—Cr	.....	.....	.....
Total of Accounts Nos. 41 to 48	340,236 94	329,302 74	263,047 56
Total Operating Expenses (including "Joint-Facility Accounts Nos. 13, 14, 39, 40, 49, and 50)	3,320,783 53	3,708,715 13	3,211,900 93

DOMINION EXPRESS COMPANY.—Comparative Statement of Transportation Revenue and Expenses, for years 1913, 1914 and 1915.

——	1913.	1914.	1915.	1914 and 1913.	Per cent.	1915 and 1913.	Per cent.	1915 and 1914.	Per cent.
	$ cts.	$ cts.	$ cts.	$ cts.		$ cts.		$ cts.	
Revenue	7,184,899 49	7,009,899 20	6,007,923 98	175,000 29	2·435	1,176,975 51	16·381	1,001,975 22	14·294
Paid railways for transportation	3,313,088 06	3,491,775 45	3,234,715 54	178,687 39	5·393	78,372 52	2·365	257,059 91	7·362
	3,871,811 43	3,518,123 75	2,773,208 44	353,687 68	9·135	1,098,602 99	28,374	744,915 31	21·173
Expenses.									
Maintenance	56,064 09	68,809 08	54,214 53	12,744 99	22·733	1,849 56	3·299	14,594 55	21·210
Traffic	120,879 95	142,167 66	56,929 77	21,287 71	17,610	63,950 18	52·903	85,237 89	59·956
Transportation	2,793,049 15	3,132,473 88	2,761,567 24	339,424 73	12·152	31,481 91	1·127	370,906 64	11·847
General	228,175 27	256,846 47	228,701 30	28,671 20	12,565	526 03	0·230	28,145 17	10·958
	3,198,168 46	3,600,298 09	3,101,412 84	402,129 63	12·886	96,755 62	3 025	498,885 25	13·856
	673,642 97	82,174 34	328,204 40	755,817 31	112·199	1,001,847 37	148·721	246,030 06	299·400
Taxes	36,421 46	54,397 10	58,136 22	17,975 64	49·354	21,714 76	59·621	3,739 12	6·875
Net transportation revenue	637,221 51	136,571 44	386,340 62	773,792 95	121·432	1,003,562 13	160·629	249,769 18	182·885

DOMINION EXPRESS COMPANY.—Comparative Statement of Tonnage for years 1913, 1914, and 1915.

	1913.		1914.		1915.	
	Pieces.	Weight.	Pieces.	Weight.	Pieces.	Weight.
Can. Pac. Railway Co	10,679,308	352,514,798	10,603,866	376,127,964	9,753,044	347,550,435
Local other lines	728,577	28,400,818	1,030,044	41,115,368	1,172,245	48,895,253
	11,407,885	380,915,616	11,633,910	417,243,332	10,925,289	396,445,688
Consignments	7,977,320	.....	7,698,960	.....	6,946,381	.....

*Includes special shipments.

	1914.			1915.		
	Cars.	Pieces.	Weight.	Cars.	Pieces.	Weight.
C.P.R. special shipments	239	14,380	3,506,432	811	32,203	12,368,669
Two trains ammunition	.....	.....	.....	.....	.....	274,000
Average weight per package 33·39		35·86			36·27	
" " consignment 47·75		54·19			57·17	

	Pieces.	Consignments.	Weight.
Year ending June 30, 1913	11,407,885	7,977,320	380,915,616
" " 30, 1914	11,648,270	7,699,199	420,749,764
	240,385	278,121	39,834,148
	2·06%	3·61%	9·47%
Year ending June 30, 1913	11,407,885	7,977,320	380,915,616
" " 30, 1915	10,957,492	6,947,192	409,088,357
	450,393	1,030,128	28,172,741
	3·95%	12·91%	6·88%
Year ending June 30, 1914	11,648,270	7,699,198	420,749,764
" " 30, 1915	10,957,492	6,947,192	409,088,357
	690,778	752,007	11,661,407
	6·30%	10·82%	2·84%

Amounts paid to the Intercolonial Railway for express privileges by the Dominion and Canadian Express Companies as per their returns for the years 1913-14-15.

	Dominion Express.	Canadian Express.	Total.
1913	$ 57,560	$226,302	$283,972
1914	153,047	173,369	326,416
1915	153,924	159,992	313,916

APPENDIX No. 3

CANADIAN NORTHERN RAILWAY.

LIST OF REGULAR ICING STATIONS.

(Lines Westfort, Ont., and East thereof.)

Lake Superior Division—
Capreol, Ont.
Hornepayne, Ont.

Ontario Division—
Brockville, Ont.
Ottawa, Ont.
Parry Sound, Ont.
Toronto, Ont.
Trenton, Ont.

Quebec Division—
Joliette, Que.
Montreal, Que.
Quebec, Que.

Lake St. John Division—
Chambord, Que.

(Lines Port Arthur, Ont. and West thereof.)

Central Division—
Brandon, Man.
Port, Arthur, Ont.
Rainy River, Ont.
Winnipeg, Man.

Western Division—
Calgary, Alta.
Dauphin, Man.
Edmonton, Alta.
Hana, Alta.
Humbolt, Sask.
Kamsack, Sask.
North Battleford, Sask.
Prince Albert, Sask.
Regina, Sask.
Saskatoon, Sask.

Pacific Division—
Kamloops Jct., B.C.
Lucerne, B.C.
Port Mann, B.C.
Vancouver, B.C.

BRANCH LINES AND EMERGENCY ICING STATIONS.

(Lines Westfort, Ont., and East thereof.)

Ontario Division—
Napanee, Ont.
Sudbury, Ont.
Tweed, Ont.
Westport, Ont.
Yarker, Ont.

Lake St. John Division—
Chicoutimi, Que.

(Lines Port Arthur, Ont. and West thereof.)

Central Division—
Atikokan, Ont.
Belmont, Man.
Fort Frances, Man.
Hartley, Man.
Kipling, Sask.
Neepawa, Man.
Portage la Prairie, Man.
Radville, Sask.
Virden, Man.

Western Division—
Big Valley, Alta.
Hudson Bay Jct., Sask
Kindersley, Sask.
Swan River, Man.
Vegreville, Alta.
Vermilion, Alta.

Pacific Division—
Blue River, B.C.
Boston Bar, B.C.
Tollerton, Alta.

LIST OF INSPECTION STATIONS.

All re-icing stations and any station at which a refrigerated or ventilated shipment is received from or delivered to a foreign line; also the following points:

(Lines Westfort, Ont., and East thereof.)

Lake Superior Division—
Foleyet, Ont.
Jellicoe, Ont.

Ontario Division—
Brent, Ont.
Rideau Yard, Ont.

Quebec Division—
Rivière à Pierre, Que.

(Lines Port Arthur, Ont. and West thereof.)

Central Division—
Carberry, Man.
Emerson, Man.
Emerson Jct., Man.
Gladstone, Man.
Holmfield, Man.
Methven Jct., Man.
Midale, Man.
Minto, Man.
Paddington, Man.
Petrel, Man.
Westfort, Ont.
Winnipeg, Man.

Western Division—
Camrose, Alta.
Canora, Sask.
Conquest, Sask.
Lochearn, Alta.
Morinville, Alta.
Nutana, Sask.

Pacific Division—
Chilliwack, B.C.

CANADIAN GOVERNMENT RAILWAYS.

Icing stations located on the Intercolonial division are:

Sydney, N.S.
Pictou, N.S.
Point du Chene, N.B.
Chaudière Jct., Que.
Campbellton, N.B.
New Glasgow, N.S.
Truro, N.S.
Moncton, N.B.
Rivière-du-Loup, Que.
Gibson, N.B.
Mulgrave, N.S.
Halifax, N.S.
St. John, N.B.
Montreal, Que.
Mont Joli, Que.

Icing stations located on the Transcontinental division are:

Parent, Que.
Hearst, Ont.
Graham, Ont.
Transcona, Man
Cochrane, Ont.
Grant, Ont.
Redditt, Ont.
Fort William
(Mission Terminals),

GRAND TRUNK RAILWAY SYSTEM.

Icing stations on Grand Trunk Railway are:

York, Ont.
Coteau Jct., Que.
Ottawa, Ont.
Montreal, Que.
Island Pond, Vt.
Portland, Me.
Elsdon, Ill.
Port Huron Tunnel, Mich.
Grand Haven, Mich.

Icing stations on Grand Trunk Pacific Railway are:

Biggar.
Edmonton.
Edson.
Endako.
Jasper.
McBride.
Melville.
Pacific.
Prince George.
Prince Rupert.
Regina.
Rivers.
Smithers.
Wainwright.
Waterous.

Icing stations on Canadian Government Railway are:

Cochrane.
Graham.
Grant.
Hearst.
Redditt.
Transcona.
Westford.
Parent.

SOLDIERS' PENSIONS

PROCEEDINGS OF THE SPECIAL COMMITTEE APPOINTED TO CONSIDER AND REPORT UPON THE RATES OF PENSIONS TO BE PAID TO DISABLED SOLDIERS, AND THE ESTABLISHMENT OF A PERMANENT PENSIONS BOARD

COMPRISING THE

EVIDENCE TAKEN AND STATEMENTS SUBMITTED IN CONNECTION THEREWITH, MARCH 14TH TO MAY 10TH, 1916.

PRINTED BY ORDER OF PARLIAMENT.

OTTAWA
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1916

[App. No. 4.—1916.]

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HOUSE OF COMMONS.
OTTAWA, March 14, 1916.

Ordered,—That the papers brought down and laid upon the Table of the House, that is to say, a copy of the pension list in force in Canada for disabled soldiers and the petitions, letters or other documents relating to the amendment or readjustment of the same be referred to the following Committee:—

Messrs.

Green,	Macdonell,
Hazen,	Oliver,
Lemieux,	Scott.
Macdonald.	

And that the said Committee be authorized to consider and report upon the rates of pensions so authorized, the establishment of a Permanent Pensions Board and any other matters relating thereto or connected therewith.

Attest.

THOS. B. FLINT,
Clerk of the House of Commons.

TUESDAY, March 21, 1916.

Ordered,—That the names of Messrs. Nickle and Nesbitt be added to the said Committee.

Attest.

THOS. B. FLINT,
Clerk of the House of Commons.

TUESDAY, March 21, 1914.

Ordered,—That the said Committee be empowered to report from time to time to send for persons and papers and take evidence; and that they be granted leave to sit while the House is in session.

Attest.

THOS. B. FLINT,
Clerk of the House of Commons.

FRIDAY, March 24, 1916.

Ordered,—That the said Committee be granted leave to have the evidence taken by them together with the written statements submitted in connection therewith, printed from day to day, and that Rule 74, relating thereto, be suspended.

Attest.

THOS. B. FLINT,
Clerk of the House of Commons.

THIRD AND FINAL REPORT.

HOUSE OF COMMONS OF CANADA,
WEDNESDAY, May 10, 1916.

The Special Committee, appointed to consider and report upon the rates of pensions to be paid disabled soldiers of the Canadian Expeditionary Force and the establishment of a Permanent Pension Board and any other matters relating thereto or connected therewith, have carefully considered the questions submitted to them, and beg to submit the following as their Third Report:—

(1) Your Committee, appreciating the probable short duration of the present session of Parliament, and the difficulties that might be encountered and not adequately met if the entire pension system of Canada were reviewed, have limited their inquiries and recommendations to pensions and assistance for the members of the Canadian Expeditionary Force in the great war which began in August, 1914, and to the system of pension administration likely to secure the most equitable and satisfactory results.

(2) That all pensions, expenses for appliances—such as artificial limbs—and for vocational training, or other advantages awarded to members of the Canadian Expeditionary Force, or their dependents, be paid by the Government of the Dominion from the national funds.

(3) That three persons, to be known as the Board of Pension Commissioners, hereinafter called the Commission, be appointed to hold office, during good behaviour, for ten years unless removed for cause, and to this Commission be entrusted the consideration, determination and administration of all Military and Naval pensions.

(4) That the Commission have full authority and responsibility to deal with and determine all matters pertaining to pensions, and from their decision there be no appeal; provision, however, should be made for any complainant so desiring to present his case, either personally or by Counsel, before the full Commission sitting for the purpose of hearing the complaints of those who may have been dissatisfied with awards given in the ordinary course of administration.

(5) That the Commission have authority to engage such clerical and other assistance as may be considered by them requisite for the transaction of their duties, at such salaries as may be approved by the Governor in Council, and to make such rules and regulations as may be necessary to facilitate administration; such rules and regulations to be submitted for approval to the Governor in Council.

(6) That the pension awarded any member of such Force, or any dependent of such member, should not be capable of being assigned, charged, attached, anticipated or commuted.

(7) That all pensions awarded to members of such Force be determined by the disability of the applicant without reference to his occupation prior to enlistment.

(8) That each case be subject to review at the end of a year from the time the pension is first granted, except in those cases where the disability is obviously permanent, and then there be no further review.

(9) That, to encourage industry and adaptability, no deduction be made from the amount awarded to such pensioner owing to his having undertaken work or perfected himself in some form of industry. The welfare of the State demands that so far as possible those who are at all able should endeavour to augment their pension allowance. If the pension granted were subject to reduction owing to the recipient having remunerative work, your Committee are of the opinion that a premium would be put on shiftlessness and indifference. That provision be made by the Commission for vocational training for those who are desirous of taking advantage of it, and for the supplying of artificial limbs and appliances, from time to time, to those who would thereby be benefited. This subject is within the province of the Military Hospitals Commission, and is now receiving attention.

(10) That provision be made by the Commission for entrusting to a reputable person for administration, the allowance to any pensioner or to any dependent when the Commission is satisfied that it is being improvidently expended by the ordinary recipient, the expense of such administration, if any, to be borne by the Commission.

(11) That a member of such Force, on account of disability incurred on active service or aggravated thereby, be pensionable at the following rates for total disability:—

	Yearly.
Rank and file	$ 480 00
Squad, Battery or Company Sgt.-Major	510 00
Squad, Battery or Company Q.M. Sergeant	
Colour Sergeant	
Staff Sergeant	
Regimental Sgt.-Major not W.O.	620 00
Master Gunner not W.O.	
Regimental Q.M. Sergeant	
Warrant Officer	680 00
Lieutenant	720 00
Captain	1,000 00
Major	1,260 00
Lieutenant-Colonel	1,560 00
Colonel	1,890 00
Brigadier-General	2,700 00

(12) That those who are entitled to be awarded pensions be divided into Six Classes, and to each member of each Class be awarded a pension in the direct proportion of his disability to total disability, as follows:—

Class 1.—Total disability, 100 per cent.

For example,—Loss of both eyes.
Loss of both hands, or all fingers and thumbs.
Incurable tuberculosis.
Loss of both legs, at or above knee joint.
Insanity.
Permanent extreme leakage of valves of heart.

Class 2.—Disability 80 per cent and less than 100 per cent—pension 80 per cent of Class 1.

For example,—Loss of one hand and one foot.
Loss of both feet.
Disarticulation of leg at hip.

APPENDIX No. 4

Class 3.—Disability 60 per cent and less than 80 per cent—pension 60 per cent of Class 1.

For example,—Loss of one hand.
Loss of leg, at or above knee.
Loss of tongue.
Loss of nose.

Class 4.—Disability 40 per cent and less than 60 per cent—pension 40 per cent of Class 1.

For example,—Loss of one eye.
Loss of one foot.
Total deafness.
Loss of two thumbs.

Class 5.—Disability 20 per cent and less than 40 per cent—pension 20 per cent of Class 1.

For example,—Loss of one thumb.
Anchylosis of elbow, knee, shoulder, wrist or ankle.

Class 6.—Disability under 20 per cent, a gratuity not exceeding $100.

For example,—Total deafness in one ear.
Partial deafness in both.
Loss of index, or other finger.

(13) That, to those, up to and including the rank of Lieutenant, who are totally disabled and in addition are totally helpless so far as attendance to their physical wants is concerned, the Commission may make a further grant subject to annual review of not exceeding $250 a year.

(14) That a disabled member of such force, up to and including the rank of Lieutenant, entitled to a pension in the 1st, 2nd or 3rd Class, in addition to his personal pension, be entitled to draw $6 a month for each child; of the rank of Captain, $7 a month for each child; of the rank of Major, $8 a month for each child; of the rank of Lieut.-Colonel, Colonel or Brigadier-General, $10 a month for each child, a child to include a step-child and a child in respect of which such member was *in loco parentis.*

(15) That, if a member of such Force has been killed, or has died as the result of injuries received, or disease contracted or aggravated while on active service, the widow, until remarriage, be entitled to the equivalent of the pension mentioned in Class 2, and also be entitled to draw the allowance recommended for children; on the remarriage of the widow her personal pension cease, but that she be entitled then to draw a gratuity of an amount equivalent to one year's pension.

(16) That, if a member of such Force who has been killed, or has died, as the result of injuries received, or disease contracted or aggravated while on active service, was a widower, but leaves a child or children, as defined by this report, said child or children receive $12 per month each.

(17) That, in the event of an application being made for a pension on behalf of a woman who has, without being married to a member of such Force, lived with him as his wife, or on behalf of the child or children of any such man or woman, the Commission be authorized to grant the customary pension for a wife or for a

child or children, on being satisfied that the circumstances were such as to warrant the conclusion that the woman had at the time of enlistment and for a reasonable time, previously thereto, publicly been represented as the wife of said member of such Force, or if the Commission is satisfied that justice would be done by the recognition of such woman, for the purpose of pension, as the wife of such member; on the marriage of the woman her personal pension cease, but that she be entitled to draw a gratuity of an amount equivalent to one year's pension.

(18) That no payment be made on account of any child, if a boy over the age of sixteen, or if a girl over the age of seventeen, unless owing to mental or physical infirmity the child is incapable of earning a livelihood, in which case the pension may, if in the discretion of the Commission it seems best, be continued until the child is twenty-one. That no pension be paid in respect of a child after the marriage of such child.

(19) That no pension be paid, when disability or death was occasioned by the negligence of the member of the Canadian Expeditionary Force, to any person claiming, or on whose behalf a pension is claimed, unless the Commission otherwise consent.

(20) That in all cases the claims for personal pensions must be made within two years of the date of the appearance of the disability in respect of which the claim is made.

(21) That a widowed mother, step-mother, or grandmother, wholly or mainly dependent upon a member of such Force who is killed or dies as the result of injuries received, or disease contracted or aggravated while on active service, if such member was without dependent children and unmarried, or a widower, be entitled to a pension of Class 3, provided, however, that no such woman be entitled to more than one pension; on the marriage of the woman such pension cease, but that she be entitled then to draw a gratuity of an amount equivalent to one year's pension.

(22) That a father, wholly or mainly dependent upon a son who is a member of such Force and who is killed or dies as a result of injuries received or disease contracted or aggravated while on active service, if such member was without dependent children and unmarried, or a widower, be entitled to a pension of Class 3.

(23) That if a member of such Force to whom a pension has been granted in either Class 1 or in Class 2 dies, leaving a wife to whom he was married at the time of his incurring the disability in respect of which his pension was granted, or a woman occupying at said time the position of a wife within the purview of Clause 17 of this report, or leaving children by such wife or woman, the pension for the Class next below that granted the said member be given said wife or woman, and the allowance on behalf of any child or children be continued subject to the restrictions as to age as provided by Clause 18 of this report; on the marriage of the wife or woman her personal pension cease, but that she be entitled to draw a gratuity equivalent to one year's pension.

(24) That pensions to widows and children take effect from the day following that on which the death of the member of such Force, in respect of which said pension is granted, occurred and that a gratuity equivalent to two months' pension be paid the first month in addition to the pension.

(25) That strong recommendations were made to your Committee that the Reservists of the Allies who were *bona fide* residents of Canada at tthe time they were called to the colours of their respective countries, and who left their dependents with the intention of returning to Canada after the war to make it their home, should be

treated on the same basis as those enlisting from Canada in the Canadian Expeditionary Force, and that this country should supplement the pension granted respectively by the Allies.

As your Committee were unable to get definite information as to the policy of the other Governments, and sufficient information to warrant a sound conclusion being reached, your Committee recommend that the Commission give the matter of pensions to Reservists and their dependents careful consideration and investigation, so as to permit a full report being made to the House at its next Session.

The attention of the Canadian Patriotic Fund should be directed to the advisability of its aiding in the meantime the dependents in Canada of such Reservists as have become disabled, and whose dependents as a result require assistance.

Your Committee are, however, of the opinion that if provision be subsequently made for supplementing pensions given to Reservists by their respective Governments, it should apply to men who, at the time of their being called to the colours, had dependents *bona fide* residing in Canada and who continued in Canada during the war. And that such supplementary pensions be not continued beyond the time that the dependents of such Reservists actually continue to reside in Canada.

(26) That, in the administration by the Commission, in order to obviate the annoyance and distress incidental to delay, great care be taken to insure all applications being considered and determined with the utmost despatch.

(27) That in due course legislation be introduced confirming this report, but that in the meantime, proceedings be taken to forthwith bring it into effect.

(28) That the provisions of this report relating to the granting of pensions be made effective as and from the date of the declaration of war, August 4, 1914.

Your Committee also recommend that this report and the evidence and the statements submitted herewith, together with a suitable index to be prepared by the secretary of the Committee, be printed forthwith for distribution, and also printed in the appendix to the Journals of 1916, and that Rule 74 be suspended in relation thereto.

On motion of Mr. Hazen, it was ordered, That the said Report and Evidence be printed forthwith, and that Rule 74 be suspended in relation thereto.

MOTION THAT REPORT BE RECEIVED, ETC.

THURSDAY. May 18, 1916.

On motion of Mr. Hazen, it was resolved, That the Report of the Special Committee appointed on the 14th day of March last, to consider and report upon the rates of pensions authorized, the establishment of a Pensions Board and other matters relating thereto, presented to the House on the 10th day of May last, be received and that the rates of pensions, and the methods of procedure and administration therein recommended be commended to the consideration of the Government. *See* also House of Commons Debates (unrevised "Hansard") at pages 4284-4304.

PAPERS (SESS. No. 185) REFERRED TO THE COMMITTEE.

SCALE OF PENSIONS.

Articles 591 to 598 inclusive, Pay and Allowance Regulations, are cancelled and the following substituted to take effect September 1, 1914.

641. The following rates of pension will be granted Militiamen wounded or disabled on active service, during drill or training, or on other military duty, provided the disability was not due to his own fault or negligence.'

Rank Held at Time of Injury or Illness.	First Degree.	Second Degree.	Third Degree.	Fourth Degree.
	$	$	$	$
Rank and file	264	192	132	75
Sergeant	336	252	168	100
Squad, Battery or Co. Sgt.-Maj " " " Q.M. Sgt Colour Sergeant Staff Sergeant	372	282	186	108
Regimental Sgt.-Major, not W.O Master Gunner, not W.O Regimental Q.M. Sergeant	432	324	216	132
Warrant Officer	480	360	240	144
Lieutenant	480	360	240	144
Captain	720	540	360	216
Major	960	720	480	288
Lieut.-Colonel	1,200	900	600	360
Colonel	1,440	1,080	720	456
Brig.-General	2,100	1,620	1,050	636

(*a*) The first degree shall be applicable to those only who are rendered totally incapable of earning a livelihood as the result of wounds or injuries received or illness contracted in action, or in the presence of the enemy.

(*b*) The second degree shall be applicable to those who are rendered totally incapagle of earning a livelihood as the result of injuries received or illness contracted on Active Service, during drill or training or on other duty; or are rendered materially incapable as a result of wounds or injuries received or illness contracted, in action or in the presence of the enemy.

(*c*) The third degree shall be applicable to those who are rendered materially incapable of earning a livelihood, as a result of injuries received or illness contracted on Active Service, during drill or training, or on other duty; or rendered in a small degree incapable as a result of wounds or injuries received, or illness contracted in action or in the presence of the enemy.

(*d*) The fourth degree shall be applicable to those who are rendered in a small degree incapable of earning a livelihood as a result of injuries received or illness contracted on Active Service, during drill or training, or on other duty.

(*e*) Where the injury is great enough to require the constant services of an attendant, such as the loss of both legs or both arms or the loss of sight of both eyes; or where the use of both legs or both arms has been permanently lost, the rates shown in columns "1st Degree" and "2nd Degree" may be increased one-third.

(*f*) In addition to the above rates, a married officer, warrant officer, non-commissioned officer, or man, totally incapacitated may draw for his wife half the rate, provided in Article 642 for the widow and the full rate for the children of an officer,

etc., of his rank, subject to the limitations respecting the age of children. After the death of the officer, warrant officer, non-commissioned officer or man, the widow may then draw the full rates provided in Article 642 for widows and children.

(*g*) The widowed mother of a totally disabled soldier may be granted a pension at half the rates fixed in Article 642 for a widow, provided the soldier is her sole support and unmarried. In the event of the soldier's decease, she may draw the full rate referred to.

642. Pensions may be paid to the widows and children of those who have been killed in action, or who have died from injuries received, or illness contracted on Active Service, during drill or training, or on other military duty, at the following rates; provided the soldier's death was not due to his own fault or negligence, and was clearly due to the carrying out of his military duties:—

Rank held by Husband, Son or Father at time of death

Rank and file	$22 a month for widow and $5 a month for each child.
Sergeant	$28 a month for widow and $5 a month for each child.
Squad, Battery, or Company Sergeant-Major Squad, Battery or A. M. Sergeant.	$30 a month for widow and $5 a month for each child.
Colour-Sergeant Staff-Sergeant	$30 a month for widow and $5 a month for each child.
Regimental Sgt.-Major, not W.O. Master Gunner, not W.O. Regimental Quartermaster-Sgt.	$30 a month for widow and $5 a month for each child.
Warrant Officer	$32 a month for widow and $5 a month for each child.
Lieutenant	$37 a month for widow and $6 a month for each child.
Captain	$45 a month for widow and $7 a month for each child.
Major	$50 a month for widow and $8 a month for each child.
Lieut.-Colonel	$60 a month for widow and $10 a month for each child.
Colonel	$75 a month for widow and $10 a month for each child.
Brig.-General	$100 a month for widow and $10 a month for each child.

(*a*) A widowed mother whose son was her sole support, and unmarried, shall be eligible for a pension as a widow without children, and subject to the same conditions as hereinafter set forth.

(*b*) In the case of orphans, the rates shown above for children may be doubled, and the pension paid to legally appointed guardians.

643. Pensions to widows and children shall take effect from the day following that on which the death of the husband, etc., occurred, and a gratuity equivalent to two months' pension shall be paid the first month, in addition to the pension.

644. The pension of a widow, a widowed mother, or child may be withheld or discontinued should such widow, etc., be or subsequently prove, unworthy of it, or should she be or become wealthy.

The decision of the minister as to whether a pension should be so withheld or discontinued shall be final.

645. The pension to a widow or widowed mother shall cease upon her re-marriage, but she will be eligible for a gratuity of two years' pension payable to her immediately after her marriage.

646. Neither gratuity nor pension shall be paid on account of a child (or orphan) over fifteen years of age, if a boy, or over seventeen years of age, if a girl, unless owing to mental or physical infirmity, the child (or orphan) is incapable of earning a livelihood, in which case the pension may be continued till the child (or orphan) is twenty-one years of age, but no pension will be paid to a child or orphan after marriage.

647. Individual cases for which the Regulations do not provide or sufficiently provide, may be specially considered by the Governor in Council.

648. Pensions may be paid monthly in advance

APPENDIX No. 4

MEMORANDUM COMPARING CANADIAN PENSIONS WITH THOSE GRANTED BY OTHER COUNTRIES.

With reference to the new scale of pensions for officers and men of the Canadian Militia, including the Expeditionary Force, these rates were drawn up in consultation with a sub-committee of the Privy Council.

The pensions for totally disabled soldiers are very similar to those introduced by the Parliament of the Commonwealth of Australia.

1. A comparative statement of the pensions granted to totally disabled soldiers in various ranks by—

(*a*) Canada,
(*b*) Australia,
(*c*) New Zealand,
(*d*) Great Britain,
(*e*) United States of America, is attached; also—

2. A comparative statement of pensions granted by these same Governments to the widows of officers and men dying on Active Service.

Table 1—Total Disability Pensions.

In the case of totally disabled soldiers it will be noted that the Canadian rates are slightly higher than the Australian rates and considerably higher than the British rates for married men. They are, however, lower than the New Zealand rates just recently authorized.

In the United States there are rates for the different classes of disability and these amounts are awarded without any regard to the rank of the individual, with the consequent result that the rates for disability of soldiers in the lower ranks are higher than in any other country, but it should be noted that special provision exists in the Canadian scale by which the pension may be increased by one-third if the soldier requires the constant services of an attendant.

As regards officers, the Canadian rates are higher than the Australian and New Zealand rates, but considerably lower than the British rates.

Table 2—Pensions to Widows of Officers and Men.

The Canadian rates for the widows of soldiers are almost exactly the same as those recently provided in the Australian Act, and they are practically double the amounts authorized for the widows of British soldiers, although in Great Britain the rates have been materially increased since the outbreak of war .

The rates allowed to widows of soldiers of the United States are very much lower than the Canadian rates. As regards officers, the Canadian rates for widows of lieutenants and captains are almost exactly the same in Canada, Australia, and Great Britain, with the advantage slightly in favour of Canada. As regards officers of higher rank, majors and lieutenant-colonels, the Canadian rates are higher than the Australian, but less than the British. In both Canada and Great Britain on the widow remarrying, a gratuity equivalent to two years' pension is granted on remarriage taking place.

The only other point worth mentioning is that in Great Britain an increase of pension of $30 a year is given to a soldier's widow on attaining the age of 35 years, and another increase of $30 on attaining the age of 45 years, but even with this increase the rates do not come up to the Canadian rates.

J. W. BORDEN,
A. & P.M.G.

February 11, 1916.

TABLE I.—Comparative Rates of Pensions for Totally Disabled Soldiers, Active Service.

Rank.	Country.	Unmarried Soldier.	Married Soldier and Wife.	Soldier, Wife and 1 Child.	Soldier, Wife and 2 Children.	Soldier, Wife and 3 Children.	Soldier, Wife and 4 Children.	Remarks.
		$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	
Rank and file (i. e. corporals and privates)	Canada	264 00	396 00	456 00	516 00	576 00	636 00	Rates may increased one-third if constant services of an attendant are required.
	Australia	253 00	380 00	443 00	506 00	569 00	633 00	
	New Zealand	442 86	601 02	664 28	727 54	790 00	854 06	
	British	316 00	316 00	348 00	380 00	412 00	444 00	
	United States	There is no fixed amount for "total disablility", as rates vary according to form of disability, without regard to rank, viz.: from $480 a year for total deafness, up to $1,200 a year for loss of sight of both eyes.						
Sergeant	Canada	336 00	504 00	564 00	624 00	684 00	744 00	
	Australia	340 00	496 00	560 00	623 00	701 00	764 00	
	New Zealand	442 86	613 67	676 93	740 19	803 45	866 71	
	British	366 00	366 00	398 00	430 00	462 00	494 00	
Warrant Officer	Canada	480 00	672 00	732 00	792 00	852 00	912 00	
	Australia	377 00	566 00	630 00	693 00	756 00	818 00	
	New Zealand	442 86	632 66	695 92	795 18	822 44	885 70	
	British	506 00	506 00	538 00	570 00	602 00	634 00	
Lieutenant	Canada	482 00	702 00	774 00	846 00	918 00	990 00	
	Australia	443 00	664 00	727 00	791 00	854 00	917 00	
	New Zealand	474 49	695 92	795 18	822 44	885 70	948 96	
	British	700 00	700 00	700 00	700 00	700 00	700 00	In addition receives a gratuity of one year's pension the first year.
	United States	Same rates as above for men.						
Captain	Canada	720 00	990 00	1,074 00	1,158 00	1,242 00	1,326 00	
	Australia	492 00	737 00	800 00	864 00	927 00	990 00	
	New Zealand	506 12	759 18	822 44	885 70	948 96	1,012 22	
	British	1,000 00	1,000 00	1,000 00	1,000 00	1,000 00	1,000 00	In addition receives a gratuity of one year's pension the first year.

Major	Canada	960 00	1,260 00	1,356 00	1,452 00	1,548 00	1,644 00	
	Australia	565 00	847 00	910 00	973 00	1,037 00	1,100 00	
	New Zealand	594 69	892 03	955 29	1,018 55	1,081 81	1,145 07	
	British	2,000 00	2,000 00	2,000 00	2,000 00	2,000 00	2,000 00	In addition receives a gratuity of one year's pension the first year.
Lieut.-Colone	Canada	1,200 00	1,560 00	1,680 00	1,800 00	1,920 00	2,040 00	
	Australia	638 00	956 00	1,019 00	1,083 00	1,146 00	1,200 00	
	New Zealand	708 58	1,062 87	1,126 13	1,189 39	1,252 65	1,315 91	
	British	3,000 00	3,000 00	3,000 00	3,000 00	3,000 00	3,000 00	In addition receives a gratuity of one year's pension the first year.

TABLE II.—Comparative Rates of Pensions for Widows of Officers and Men killed on Active Service.

Rank of Husband.	Country.	Widow without Children.	With one Child.	With two Children.	With three Children.	With four Children.	Remarks.
		$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	
Private	Canada	264 00	324 00	384 00	444 00	504 00	
	Australia	253 00	316 00	379 00	442 00	504 00	
	New Zealand	316 33	379 59	442 85	506 11	569 37	
	British	126 00	189 00	233 00	258 00	283 00	Increased by $30 on reaching 35 years of age and a further increase of $30 on reaching 45 years of age.
	United States	144 00	168 00	192 00	216 00	240 00	
Sergeant	Canada	336 00	396 00	456 00	516 00	576 00	
	Australia	340 00	403 00	466 00	529 00	592 00	
	New Zealand	341 63	404 89	468 15	531 41	594 67	
	British	138 00	201 00	245 00	270 00	295 00	Increased on attaining 35 years and again at 45.
Warrant Officer	Canada	384 00	444 00	504 00	564 00	624 00	
	Australia	377 00	440 00	503 00	566 00	629 00	
	New Zealand	379 60	442 86	506 12	569 38	632 64	
	British	175 00	238 00	282 00	307 00	332 00	Increased on attaining 35 years and again at 45.
Lieutenant	Canada	444 00	516 00	588 00	660 00	732 00	
	Australia	443 00	506 00	569 00	632 00	695 00	
	New Zealand	506 12	569 38	632 64	695 90	759 16	
	British	400 00	475 00	550 00	625 00	700 00	
Captain	Canada	540 00	624 00	708 00	792 00	876 00	
	Australia	492 00	555 00	618 00	681 00	774 00	
	New Zealand	569 38	632 64	695 90	759 16	822 42	
	British	500 00	590 00	680 00	770 00	860 00	
Major	Canada	600 00	696 00	792 00	888 00	984 00	
	Australia	565 00	628 00	691 00	754 00	817 00	
	New Zealand	657 96	721 22	784 48	847 74	911 00	
	British	700 00	805 00	910 00	1,015 00	1,120 00	
Lieut.-Colonel	Canada	720 00	840 00	960 00	1,080 00	1,200 00	
	Australia	638 00	701 00	764 00	827 00	890 00	
	New Zealand	768 92	838 18	895 44	958 70	1,021 96	
	British	900 00	1,020 00	1,140 00	1,260 00	1,380 00	

APPENDIX No. 4

SCALE OF PENSIONS AND ORDERS IN COUNCIL AUTHORIZING SAME.

P.C. 289.

CERTIFIED COPY *of a Report of the Committee of the Privy Council approved by His Royal Highness the Governor General on the 29th April, 1915.*

The Committee of the Privy Council, on the recommendation of the Minister of Militia and Defence, advise,—with reference to the question of providing adequate pensionary assistance for officers and men disabled or partially disabled on active service, or for the dependents of such officers and men should they be killed on active service,—that Articles 591 to 598, inclusive, of the present Pay and Allowance Regulations be cancelled and that there be substituted therefor the Regulations hereto attached.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

The Honourable the Minister of Militia and Defence.

P. C. 887.

CERTIFIED COPY *of a Report of the Committee of the Privy Council, approved by His Royal Highness the Governor General on the 29th April, 1915.*

The Committee of the Privy Council have had before them a report, dated 27th April, 1915, from the Minister of Militia and Defence, representing that at present there is not any provision for pensioning officers or soldiers of the Canadian Overseas Expeditionary Forces or their families, and that it is desirable to have such provision made forthwith.

The Minister, therefore, recommends that the provisions of Articles 591 to 598 of the Canadian Militia Pay and Allowance Regulations, as amended by Order in Council (P. C. No. 289) of 29th April, 1915, be made applicable to the officers and soldiers of the Canadian Overseas Expeditionary Forces and to their widows, children, orphans and widowed mothers, to as full an extent as if they, the said officers and soldiers, were officers, warrant officers, non-commissioned officers and men, respectively, of the Militia, and had incurred death or disability on service as such militia officers, warrant officers, non-commissioned officers and men of the militia.

The Minister further recommends that the said provisions be made to take effect from the 1st day of September, 1914.

The Committee concur in the foregoing and submit the same for approval.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

The Honourable
The Minister of Militia and Defence.

P. C. 3021.

CERTIFIED COPY *of a Report of the Committee of the Privy Council approved by His Royal Highness the Governor General on the 25th December, 1915.*

The Committee of the Privy Council have had before them a report, dated December 13, 1915, from the Minister of Militia and Defence, submitting for consideration copy of a letter received from the President, Pension Board, England, in

which the suggestion is made that the Board be authorized to award gratuities not exceeding $100 to men who, though only slightly incapacitated, are unfit for further service in the field and have been recommended for discharge.

It is represented that this gratuity would be in lieu of a short term pension and would enable the Board and Chief Paymaster, Overseas, to effect speedily a final settlement with such men whose cases must, otherwise, be referred to the Pensions Board, Ottawa, thus causing long delays.

The Minister recommends that the suggestions of the President, Pension Board, England, be approved and that the Board be empowered to award gratuities not exceeding $100 in cases where the men are not disabled sufficiently for pension, but who nevertheless will be more or less disabled for a period after their discharge.

NOTE.—For additional Papers referred to the Committee *see* Blue-book (Sess. Papers No. 185), as follow:—

(1) List of Canadian Pensions granted since the outbreak of the War, pages 9-40.

(2) Report of W. D. Hogg, K.C., at page 45, *re* the question of Military Pensions in Canada.

(3) Recommendations of the Pensions and Claims Board, C.E.F., as to Pensions and other matters pertaining to the return of members of the Canadian Militia from Active Service to civil life, pages 48-56.

(4) Report of Mr. Frank Darling, Toronto, as Chairman of Committee of the Council of the Toronto and York County Patriotic Fund Association, pages 56-62.

(5) Charts received from Mr. Frank Darling, *re* Government and New Scale of Pensions, pages 65-68.

(6) Memorandum received from Lt.-Col. J. G. Adami, F.R.S., C.A.M.C., *re* War Pensions evil in the United States and means adopted to arrest the evil in connection with subsequent campaigns, pages 69-73.

(7) Suggestions received from correspondents, page 74.

MINUTES OF PROCEEDINGS.

HOUSE OF COMMONS, ROOM 110,
THURSDAY, March 16, 1916.

The Committee met at 11.30 a.m.

All seven members of the Committee were present.

Mr. Macdonell moved that Hon. J. D. Hazen be Chairman of the Committee —Motion agreed to.

The Committee proceeded to consider the purposes of the present meeting.

The Chairman proposed to invite Mr. Frank Darling, of Toronto, to appear and give evidence before the Committee,—which was concurred in.

The Committee also considered it advisable to hear the views of representatives of Boards of Trade and any other persons or representatives who might have valuable information or suggestions to offer.

The Secretary was instructed to request the attendance of the members of the Pensions and Claims Board, also Lt.-Col. W. R. Ward and Mr. E. F. Jarvis, of the Department of Militia and Defence, for Thursday next, March 23.

It was ordered, that the Committee obtain leave to sit while the House is in session, to send for persons and papers and take evidence, and that they be empowered to report from time to time.

The Committee then adjourned to meet again on Thursday, March 23, at 10.30 a.m.

V. CLOUTIER,
Clerk of the Committee.

Chairman of the Committee,
J. D. HAZEN.

MINUTES OF EVIDENCE,

HOUSE OF COMMONS,
COMMITTEE ROOM No. 110,
THURSDAY, March 23, 1916.

The special committee appointed to consider and report upon the rates of pensions in force in Canada for disabled soldiers, the establishment of a Pensions Board, and other matters relating thereto or connected therewith, met at 10.30 o'clock, Hon. Mr. Hazen, chairman, presiding.

Col. W. R. WARD called and examined.

By the Chairman:

Q. Colonel, what is your position in the Militia Department?—A. I am the Assistant Paymaster General.

Q. Have you had to do with the preparation of the pension scale that is now in force?—A. No, I have not had anything to do with it. I have been overseas.

Q. Who had to do with it?—A. Mr. Borden, the Accountant and Paymaster General, had to do with it.

Q. You are familiar with it, are you not?—A. Yes.

Q. How was the scale made up?—A. It was based mainly on the Australian scale.

Q. Have you prepared a statement making a comparison between that scale, the Australian scale, and other pension scales?—A. Yes.

Q. Have you brought it with you?—A. Yes (document produced). This is the scale in effect in Canada, Australia and New Zealand (hands to Chairman.) (See page 12.)

Q. And Great Britain?—A. Yes.

Q. Now, tell the Committee, taking the case of a private soldier first, what amount he gets in Canada, and what in the other countries, for total disability?—A. For total disability, the unmarried soldier gets in Canada $264; in Australia $253; in New Zealand $442.86; in Great Britain $316. There is one provision in regard to the Canadian scale whereby the rate may be increased one-third. These rates are for the unmarried soldier.

By Mr. Macdonell:

Q. On what date was this schedule adopted for Canada?—A. It was passed in September, 1914, or it came into effect at that time.

By the Chairman:

Q. Now take the case of a soldier who is married and has children?—A. In the case of a married soldier, a widow without children—there is a distinction between a widow without children—Canada, $396; Australia, $380; New Zealand, $601; Great Britain, $316. There is no difference in Great Britain between the unmarried and the married soldier.

Q. The Canadian scale is made up with the idea that a married soldier should get more than an unmarried?—A. Yes.

Q. And if he has children he shall get more?—A. There is a difference if there are children.

Q. In Great Britain there is no more given to the soldier who is married than to the unmarried soldier?—A. No. But they recognize the children.

Mr. NESBITT: The unmarried soldier is allowed a certain amount for services if he is totally disabled; he is allowed for the nurse.

By the Chairman:

Q. An amount can be added?—A. One-third.

By Mr. Nesbitt:

Q. The married man is not allowed this extra amount?—A. There is no distinction made.

Mr. NESBITT: I so read it.

The CHAIRMAN: The regulations read as follows:—

> *(e)*. Where the injury is great enough to require the constant services of an attendant, such as the loss of both legs or both arms or the loss of sight or both eyes; or where the use of both legs or both arms has been permanently lost, the rates shown in columns "1st degree" and "2nd degree" may be increased one-third."

It does not seem that there is a distinction made between whether a man has a wife or not?

The WITNESS: No.

By the Chairman:

Q. Now, Colonel Ward, will you take the case where a man is married and has children?—A. In the case of a child, the Canadian rate is $456 for one child, an increase of $60 a year, or $5 a month. Practically all through the scale $5 a month is added for each child.

Q. Up to what limit?—A. There is no limit in the Canadian——

Q. There is no limit in the Canadian?—A. Excepting for age.

The CHAIRMAN: We can have these tables printed in the record.

The WITNESS: The tables I have here are in the blue book.

Mr. NESBITT: I would suggest that the witness tell us the principles upon which the rates have been arrived at.

By the Chairman:

Q. Now, Colonel Ward, can you give us a statement as to the principles upon which these rates were made up by the Militia Council before they were submitted to the Privy Council?—A. I was not present, but I know what took place. There was a meeting held in the Militia Department at which some of the Cabinet Ministers were present, and the question was discussed. Because the former rates were considerably lower, it was the consensus of opinion that they should be increased particularly in the case of widows. I believe Sir Herbert Ames was there representing the Patriotic Fund, and the matter was generally discussed simply with a view to increasing up to what was thought a reasonable amount in comparison with the scale of other countries and conditions.

Q. In doing that, you were influenced somewhat by the rate in Australia, were you not?—A. Practically, Australia was taken as a very good standard, because they had quite recently amended their Act, they had just introduced a new scale. Since the Canadian scale was passed, a New Zealand Act has come into force providing a still better scale.

Q. How does the Canadian scale compare with Australia?—A. They are practically the same. They are slightly better in some cases.

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Q. How do they compare regarding officers?—A. Taking now the disability pensions, ours are considerably better in the case of officers.

Q. In the case of non-commissioned officers and men they are practically the same?—A. Our scale is slightly better.

Q. Than the Australian? There is one question I would like to ask you. Take the case of a colonel in the Canadian force and a colonel in the British army? How do they compare?—A. The British army scale is more than double.

Q. Give me the figures?—A. A lieutenant-colonel has $3,000 a year in the British scale, and $1,200 in the Canadian.

Q. Three thousand in the British and twelve hundred in the Canadian?—A. Yes.

Q. How is it in the Australian scale?—A. It is only $638.

Q. Australia is less than ours?—A. Yes.

Q. In the case of the commissioned officers is it much less?—A. Yes.

Q. While ours, for the rank and file, is higher than the British?—A. Yes, higher than the British.

By Mr. Nickle:

Q. How are the French pensions?—A. I have not brought the book, I cannot say without reference to the scale.

By the Chairman:

Q. Can you have a table prepared showing the French pensions and send it to the Clerk of the Committee?—A. We have it in the office and I will have a statement prepared. (See page 74.)

Q. Speaking generally, do you know how the French pensions compare with the Canadian scale, are they higher or lower?—A. I really have not gone into it.

The CHAIRMAN: Do any of you gentlemen in the Militia Department know?

Mr. SCAMMELL, Secretary of the Military Hospitals Association: They are lower.

The CHAIRMAN: Does that apply as well to the men and the non-commissioned officers as to the commissioned officers?

Mr. SCAMMELL: Yes.

The CHAIRMAN: It applies to all ranks?

Mr. SCAMMELL: Yes, and the pensions have to be supplemented by means of the voluntary fund which has been created there for the purpose.

By Mr. Nickle:

Q. Have you the scale of American pensions there? (See pages 75-78).

The WITNESS: We have it here. The American pension list makes no distinction as between the commissioned officer and the men in regard to disability, it is based on the actual injury. It starts with a minor injury called "anchylosis of the shoulder" and provides a rate for every kind of injury, instead of using terms like "total incapacity," or "partial incapacity," and so forth. It is based on the actual injury which the man sustained; there is a separate rate fixed for the loss of a right arm, for instance, or a left arm or a thumb.

Hon. Mr. OLIVER: If it be possible to have a statement prepared briefly showing the ground on which they work in the United States it would be better.

Mr. MACDONALD: Why not prepare a short memorandum comparing the system in the United States with the Canadian scale; would it be possible to do that?

The WITNESS: You want that done, do you?

The CHAIRMAN: This is the way it is done: These are the rates fixed by the American Pension list for "certain disabilities not specified by law" (reads):—

Loss of sight of one eye	$12 per month.
Loss of one eye	17 "
Nearly total deafness of one ear	6 "
Total deafness of one ear	10 "
Slight deafness of both ears	6 "
Nearly total deafness of one ear and slight of the other	15 "
Total deafness of one ear and severe of the other	25 "
Loss of palm of hand and all the fingers, the thumb remaining	17 "
Loss of thumb, index, middle, and ring fingers	17 "
Loss of thumb and little finger	10 "
Loss of thumb	8 "

And so on.

By Mr. Nesbitt:

Q. That is just like an indemnity?—A. It is totally different to any other system, and there is no distinction made as between private and colonel, both get the same for the same injury.

By Mr. Nickle:

Q. What is your opinion as to the respective merits of the two systems?—A. I think the United States system is absolutely just and that ours is quite wrong.

Q. You approve of the American system?—A. Certainly. There you have something definite upon which to proceed, you cannot have any matter of opinion; if a man loses a thumb there is an end of it, you cannot say that the loss of one man's thumb is a greater injury than the loss of another's.

Q. Does the question of what a man earns have anything to do with fixing the amount of the pensions?—A. Nothing at all, in Canada the pension is only awarded in the case of disability, and it is only for one year, and then it is liable to review after the first year. The law doesn't say so, but it is a matter for the pension board to do what they like. They simply recommend that a pension shall be granted either for one year or for life, the law does not say what.

Q. I have come across quite a number of cases in which the man did not want to undertake work because he said that it would interfere with his pension; what do you say about that?—A In that respect I think our system is wrong, I am only speaking for myself, but you are asking my opinion.

Q. Yes, that is what I want. A. The idea that a man's pension should depend upon permanent incapacity is one that I do not agree with at all.

Q. Is it not a fact that under our system a man is averse to undertaking ordinary work for the reason I have given?—A. Entirely so, that is a matter of personal opinion.

Q. Supposing at the expiration of the first year it were found that a man's injuries were much more serious than was at first supposed when the Board dealt with his application for a pension, would that first decision of the Board be final and deprive him of the full benefit to which he was entitled?—A. No, it would not, he never loses his right to a pension based on his present condition; ten years later it might be proved that his disability was consequent upon his original injury; he is never deprived of his rights, if it can be proved that his infirmity was the result of injury received on active service.

Q. Take the case of a lawyer who loses a leg and continues his profession, but subsequently his profession slips away from him, could he get a pension then?—A. Undoubtedly, I should say so; it is rather hard to say because the way it is expressed in the Act is incapacity for earning a living. Well, a lawyer might not be incapacitated by the loss of a leg, unless he had to chase his clients. Of course, I think a lawyer's leg is worth as much as a bricklayer's.

By the Chairman:

Q. But in the case of a lawyer it would not interfere with his capacity for making a living to the same extent it would with the other man?—A. No.

Mr. NESBITT: You might, with that type of case, put it as an indemnity and pay them a total amount at the time.

THE CHAIRMAN: Give him a total lump sum for the loss of his leg?

Mr. NESBITT: Yes, give him a total indemnity.

The CHAIRMAN: Shall we ask Colonel Ward to stand aside now for the purpose of hearing Mr. Darling?

Witness retired.

The CHAIRMAN: Now, Mr. Darling, we will be very glad to hear what you have to state to the Committee with reference to pensions.

Mr. FRANK DARLING, Toronto: It may seem to be almost an effrontery on the part of one who is not a military man, Mr. Chairman, to speak to the committee upon this question. I am not accustomed to public speaking, but I desire to say that it occurred to me some months ago that the present provision with regard to pensions is not adequate. It struck me at the time, when I had an opportunity to peruse the schedule that the rates of pension to the Canadian soldier are very low. It appeared to me that if we were not going to create a body of men of a most undesirable class, by reason of the fact that you give him a pension not sufficient to enable him to live decently, that we should adopt an improved method of dealing with our returned soldier. I think the paying of money to a man in the way it is now done, is the very worst use you can make of that man. You put him back into the unfortunate position that used to exist in the West, the man that was called a "remittance" man, who got a small income from his people in England, not enough to keep him decently without working, but just enough to enable him to rub along and not starve to death. Now, if you give a returned soldier something less than five dollars a week, that utterly incapacitates him from earning a livelihood, and you are doing that man a great deal of harm and no good; the result is that you will create a class of men with whom it will be very difficult to deal. Whereas if you take a man who is totally incapacitated and give him enough pension to live on decently, and bring up his family properly, you give that man a reward that he certainly deserves. My idea is that our object should be to get the man back into the ranks of labour so that he can earn his own livelihood. By doing that we make a better man and a better citizen out of him by enabling him to become self-supporting. I object very strongly to a pension list based on what they pay a man in Australia, New Zealand, or even England for the reason that the men that we are providing for are not going to live in those countries but in Canada. We are in a better position here to know what it costs to live in this country, and let us pay them enough to live decently. We do not want to pay them a certain amount just because they pay them that in Australia or any other country. The scale should be based upon the requirements as determined by Canadians in Canada. What they pay in another country is, I think, entirely outside the question. I am not an advocate, in fact I would be very much adverse to advocating pensions to men who can earn a livelihood. I do not agree with Colonel Ward that one man's leg is as good as another's. If you are going to give these pensions as payment merely to keep them until they are able to go to work, I say that a lawyer who loses his leg and who is fitted with another leg and has recovered entirely from the shock of the operation only suffers a personal inconvenience; the loss of the leg does not unfit him from earning his livelihood; it is, however, an entirely different matter if you take the case of a workingman, a labourer or bricklayer or plasterer. To a man engaged in either of those occupations the loss of a leg is an extremely serious matter. A better example, perhaps, would be that of a man who had lost his hand and came back to Toronto. That man had been employed for many years in the same concern, was probably the best typesetter in the city of Toronto, and during the year would earn about $22 a week. He went to the front and lost his left hand. Now, if

a lawyer or a banker loses his left hand he can go back to his ordinary occupation and the only difficulty he would labour under, would be in putting on his collar and tie in the morning, perhaps; but to this man to whom I refer the loss of the hand was very serious, he could not follow his trade at all.

Mr. NESBITT: Could he not follow his trade as a typesetter?

Mr. DARLING: No, he requires both hands to follow that trade. Now, to enable that man to earn a living you would have to teach him another trade; you have damaged that man to an enormous extent, whereas the same injury would not damage a lawyer or a banker to nearly the same amount.

Mr. NESBITT: As a typesetter could he not still set type with one hand?

Mr. DARLING: No, he could not; it was that man's employer who told me this, and who said that the man's usefulness was destroyed. Now, that man cannot get a pension under the present Act which will keep him at all.

Mr. SCOTT: How much should he get?

Mr. NESBITT: If he is an unmarried man he should get $264 a year.

Mr. DARLING: No, no, he would not get that much, probably about $75 a year.

The CHAIRMAN: It is a question of degree. If he is rendered totally incapable of earning a livelihood, and if he is a private he gets $264.

Mr. MACDONALD: What is your remedy for a case like that?

Mr. DARLING: Take him up to one of the technical schools. Mr. McKay was good enough to come down with me because the Hon. Mr. Hazen said that any one who would be able to help with suggestions the committee would be glad to hear. Dr. McKay is in charge of the technical schools in Toronto, and will be able to explain to you how a man like that could be taught some other trade by which he would probably be able to earn as much as he could before he was injured.

The CHAIRMAN: Are you opposed to giving that man a pension at all for the loss of ability to follow his trade?

Mr. DARLING: No, because I think he is as good an example as the man who has lost one leg and who could not work at his trade as a plasterer any more because he has to work on scaffolds and the employer would not want to take the risk, and there again the Employees' Compensation Act would come in. An employer would not take a man like that; it would be too dangerous; he could not afford to do it. But if he is an ordinarily intelligent man, let him go to a technical school, any good technical school, where he could be taught a trade by which he could earn just as much money as he ever did as a bricklayer.

By the Chairman:

Q. If he did learn a trade by which he could earn as much money as a bricklayer, would you say he was not entitled to any pension?—A. My own opinion personally is that I would not give him any.

By Mr. Nesbitt:

Q. You would have to give it to him up to a certain time?—A. Mind you I think this: if he is going to learn a trade he should be kept on the strength. I would give him a uniform, and look after him and his wife and children exactly as if he were on active service. There would be some difference about the amount of money to be paid him, that is a thing I am not interested in. But I would have him put under military control. Then if the man goes to a school and turns out to be thriftless, idle and lazy, and acquires bad habits, the principal of that school need only report to the military authorities, and they could undertake to deal with him. If the man has picked up bad habits, and won't work or earn anything, I think he should be given some slight pension and turned out for good. You do not need

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to keep every drunken loafer simply because he happens to have lost an arm or a leg, when you have given him the opportunity to lead a decent life and he refuses to take advantage of it. When such a man refuses to live decently and earn his own living, I do not think the country should worry very much about him.

Mr. NESBITT: I agree with you.

The WITNESS: Now you put that man, we will say, into a position to earn a decent livelihood, as good as he earned before. As years go on and he gets to be an old man I think his case should come up for review. He has served his country and suffered injury, I think he should be in a better position than the ordinary old man who, as he gets old, finds it more difficult to get employment, because he can say: "There is Bill Smith, he got injured, but I was injured as much as he was. He got a pension, but he did not work." I believe the Government should pay more attention to the case of the man who works, and is a good citizen. The man who sits around and refuses to do any work but lives on the pension that is paid to him, is a curse to himself and everybody else. According to the report of Mr. Dobell, in France it has been found that it does not do to take away a man's pension. There they think that once you grant a man a pension you ought not take it away from him, because he finds out that the more work he does, and the more efficient he becomes, the less pension he gets. Then the man reasons for himself: "I am earning as much as I intend to. With my pension I can live comfortably. If I work a little harder I lose my pension." It is a moot point, therefore, whether it is advisable to take away a man's pension. If you grant a man a small pension and teach him a trade, the man is better and the country is better for it, because that man is producing something.

By Mr. Green;

Q. Your idea apparently is not to give him any pension at first?—A. Yes, he would have to be pensioned at first. He has got to be started and he would have to be looked after. You are speaking now of the man who is learning a trade in a technical school?

Q. Yes.—A. That man would have to be looked after. The difficulty is to get him under control.

Q. What I want to get from you is when, in your opinion, the pension should start. You have said here, in the first instance, that you did not think it was a good idea to give a man a pension, but you would give him an opportunity of earning his living. Now, you say that if a man becomes a workman he should receive the same pension as a man who does not work. I want you to differentiate in regard to that and say where you are going to start the pension?—A. I am not accustomed to talking in public, and therefore it is quite possible that in some of my explanations I may be a little astray. I feel this first: that the man who cannot work at all ought to be paid. As to the man who can work and can be taught a trade, it is a very moot point exactly what to do with him and what pension to give. The point is an extremely difficult one to determine.

Q. Would it not be a better plan to fix the scale of pensions and at the same time teach the men a trade? Those that can work and are willing to work, let them supplement their pensions.—A. I would not fix a scale, I would rather fix a man's earning power. If his earning power is taken away from him he should get the full standard.

Q. But the scale would represent his earning power?—A. I have a written memorandum here, a copy of which I sent to Mr. Hazen. In that statement I suggest a basis of $12.50.

Q. Yes, I read your statement.—A. That, roughly speaking, would be $54 a month. If a man has lost all his earning power, if he is incapable of earning any livelihood, give him $54. If he has not lost any earning power, but just comes back again to the country, I would not give him anything. Now, if 50 per cent of a man's earning power is gone, I would give that man 50 per cent of the $54. If he loses 75 per cent of his earning power, I would give him 75 per cent of the $54.

Q. It seems to me that you are arguing two ways, if I may put it that way. You first say that if he is given a certain amount according to his earning power, after the war, he will say, "I am not going to work to earn any more". Now, you say you would fix the payment proportionate to his earning power. How do you reconcile the two statements?—A. Suppose you pay a man a sum equivalent to one-half his earning capacity. He cannot live on that.

Q. I quite appreciate the fact.—A. That man ought to be taught something to supplement his pension.

Q. But you say that after he has been taught, he will not be in favour of still further improving his efficiency.—A. That I think is the arguable point. Suppose you take a man whose earning capacity has been reduced by 25 per cent. You might give him 25 per cent of $54 and then teach him a trade. I would be in favour of teaching every man a trade that you could get hold of.

By Mr. Scott:

Q. Whatever a man's earning power might be, why should it make any difference in the amount of pension originally awarded to him?—A. Of course every man's case would not be alike. Take a man who may have developed tuberculosis. In the early stages the disability is not very marked. After five or six years his position is a great deal worse, and after the lapse of eight or ten years he cannot earn anything at all. Now, that man has exhausted his earning power and certainly he should be taught a trade. I may be quite wrong in my method, but certainly that is my opinion.

By Mr. Green:

Q. I do not think any member of the Committee disagrees with your premises. —A. I am not trying to lay down any law in the matter.

Q. I understand that. I do not think any member of this Committee will disagree with your statement. It is your opinion they should all be taught a trade, and with that we all agree. The real question is, after they have been taught a trade?—A. How you should treat them after that?

Q. Yes, how are you going to treat them after that?—A. It is a very difficult thing, I admit.

By Mr. Nesbitt:

Q. Your suggestion would be to take the wounded man, that is the man partially disabled, who was already on the pay-roll?—A. Yes.

Q. Teach him a trade and get him a position. If you have taught him a trade whereby he can earn at least part of the livelihood, the Pension Board would then judge by what he could earn, what his pension should be afterwards. Is that the position you take?—A. That is about the position I would take.

By Mr. Scott:

Q. Then you would never refuse a pension?—A. I would never refuse it.

Q. No matter how efficient that man might become?—A. I entertained the other view some time ago, but the reading of Mr. Dobell's report changed my opinion. It is a bad thing, having once granted a man a pension to take it away from him.

By the Chairman:

Q. Do you not think there would ge immense difficulty in differentiating in every case —A. Is that not done already

The CHAIRMAN: It has not been done in so far as any system in the world is concerned. I have no doubt but that a good many of the men who come home from the war will want to learn a trade. But there is a very considerable percentage of the returned soldiers who, in my opinion, will absolutely decline to do so. They will say: "We want our pension, and then we can get along for ourselves." You are not going to say to these men that because they will not learn a trade you are not going to give

them a pension. The position they will take is: "We are entitled to a certain sum. What we will do after we get that is our own business." Some men will be delighted to take advantage of any offer to teach them a trade in a technical school, but others—men who have never done any regular work and do not want to do any—will claim they are entitled to consideration because they have gone and fought just as strongly for the country, as the man who has a steady position. In that case you are up against the situation of having to differentiate between these different classes, and it will be impossible to discriminate between them.

The WITNESS: Yes, but you do that to a certain extent to-day. You have five or six grades of disabled men and you have got to consider each individual case in order to determine what grade to put him in.

The CHAIRMAN: Yes, but that is a comparatively easy matter.

By Mr. Scott:

Q. You would not place all the men in the same category?—A. No, and I will tell you the reason why. One man perhaps loses his leg. The operation is perfectly successful, and the man does not suffer noticeably from the shock. Another man who loses a leg may be more or less injured for the rest of his life. I have personal knowledge of cases where men suffered a great deal. Take the persons in this room. If all of them underwent the same operation they would not suffer to exactly the same extent, or be in identically the same position of disability.

Mr. MACDONALD: Your remarks have been rather along the lines of a general policy to be adopted by the Government. But this Committee has been more particularly directed to enquire as to whether the present pension scale, and the various degrees laid down under it, should be amended. Perhaps you might give us your opinion as to that rather than upon the matter of general policy.

Mr. NESBITT: I understood that was what we are here for.

The CHAIRMAN: No, we are here to consider a pension scale which would be sufficient, and as to the conditions which should govern.

By Mr. Macdonald:

Q. How would it do, Mr. Darling, for you to give us your views first upon the question of the different degrees and then come to the scale of pensions which would be paid?—A. If I might make a suggestion it would be that the scale should be $54 a month. That would be $1.75 a day, roughly speaking, $12.50 a week or $650 a year. My view is that might be the basis of the earning power of the private soldier. Now, with that as a basis we fix a scale of pension for him.

By Mr. Green:

Q. You would give him a percentage of that amount?—A. Yes, a percentage.

By the Chairman:

Q. Would you make a distinction between the different ranks? Would you give the commissioned officer more than the private soldier?—A. Yes, I would.

Q. Having regard to the fact that a great many men who have enlisted as privates are socially and from the standpoint of education, earning power and other respects, quite as good as, and in many cases superior to, some of the men who hold commissions?—A. Personally, I am a Democrat and a Conservative also. I like the American system. I would make the curve in payment upwards from the private soldier nothing like as high as ours is at present.

Q. The curve is very pronounced as regards Australia and England?—A. The British Army is a professional army. The men in that army are drawn from one class and the officers from an entirely different class, so that the distinction between them is very marked. The two classes are not comparable at all with ours. In this country there were many young men, especially at the time the war broke out, who were in a hurry to get to the front and so enlisted as privates. Had they waited for a commission they might perhaps never have got there at all. I know brothers, one of whom is a captain, while the other joined the ranks as a private. When the war is over, in the event of their being still alive, they will go back to private life. These sort of cases tend to show that a private who falls on the battlefield may be as great a loss to the country as an officer.

By Mr. Nesbitt:

Q. That may be true, but should that private live and come back he will have a better opportunity than the workingman in the ranks?—A. Of course he will have.

Mr. NESBITT: In the first place his family are influential, and that will help him a great deal; in the next place, all his surroundings are more conducive to his being put into a better position to earn a livelihood. On the other hand, the workingman has only his hands and feet to depend on.

The CHAIRMAN: I know one man, Mr. Sherman, Assistant General Manager of the Royal Bank. He was getting a salary of $10,000 a year, but he resigned and went into the ranks.

Mr. NESBITT: He will not have to work with his hands when he comes back.

Colonel WARD: I know a $15,000 man who has gone.

The CHAIRMAN: A great many men enlisted and went to the front before the present pension scale was approved of. Others have gone, knowing that to be the scale. The question is how far we are justified in making reductions. I think there is a very general feeling there ought not to be a great difference between the payments to officers and those made to privates, in view of the fact that many of the men now in the ranks are as good as, and even superior to, some of the officers. The question is whether you can alter that now.

The WITNESS: If you give the totally disabled private a pension on which he can live, there will not be such a great difference.

By Mr. Macdonald:

Q. What about the question as to whether any distinctions should be drawn in payments for disabilities?—A. There should be absolutely none. The present system seems to be an outrageous one. How can a doctor tell whether a man has contracted disease in the presence of the enemy? You cannot call for volunteers by saying, "Who is going to fight in the trenches, and who is going to stay at home"? You may have a man who has been for six months in the trenches, and who, when he gets back to Shorncliffe is injured in the performance of some barrack duty. Or you may have a man who has been doing barrack duty at Shorncliffe for some months and then goes to the front and is shot in both hips within a few hours of his arrival there.

Q. What you propose would be the fusing of the first and second degrees, which draw a distinction between a man injured in the presence of the enemy, or who is rendered totally incapable through illness contracted on active service during drill or training. You would abolish the distinction?—A. Altogether.

Q. In regard to the third degree, which refers to a man rendered materially incapable of earning a livelihood, as a result of injuries received or illness contracted, on active service, during drill or training, and the fourth degree referring to a man rendered in a small degree incapable of earning a livelihood?—A. I would stop there; I would just give a man a pension. If his whole earning power is gone, I would give him $12.50 a week.

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Q. If he is materially incapable of earning a livelihood?—A. In that case he is not totally incapable, he could do a certain amount of work. I would let the Medical Board, or Pension Board, decide what he should get.

Q. A typesetter, for instance, that lost an arm, you would put in the "materially incapable" class, and leave it to somebody to decide his pension. In the case of a "totally incapable" man, you would fix his pension permanently?—A. Yes.

Q. The degree of incapacity is a matter to be determined?—A. Yes, between the limit of total incapacity and full efficiency.

Q. And you would leave it to the discretion of the Board to fix the amount of pension?—A. Yes.

By Mr. Green:

Q. Based on the earning power?—A. According to his earning power.

By Mr. Nesbitt:

Q. You would strike out section (*b*) "The second degree shall be applicable to those who are rendered totally incapable of earning a livehood as a result of injuries received or illness contracted on Active Service, during drill or training, or on other duty." You would have no distinction between active service at the front or elsewhere?—A. If he deserts?——

Q. I would not give a deserter anything?—A. No. The moment a man cannot act as a soldier, it makes no difference whether he is injured at Niagara or at the front.

By Mr. Green:

Q. He is subject to orders?—A. Yes, he has no say as to where he shall serve.

By Mr. Macdonald:

Q. According to your idea, total incapability would be determined by medical reports from the military people; automatically a man would receive a certain amount. Would you include in "total incapability" a man who is mentally affected?—A. I would think so. That is a curious business.

Q. A man may suffer from shock causing mental disaffection. I suppose it would depend upon the report of the medical board as to whether that mental affection is one which would make him totally incapable; and if the board thought he was not totally incapable he would go into the other class of men partially incapable? His status would be determined by the board?—A. Yes, and by medical authorities. I do not think anybody can give such valuable assistance on that point as Dr. Clark here.

Mr. NESBITT: Mr. Macdonald says if he were not totally incapable you would treat such a case just the same as that of a wounded man.

By Mr. Macdonald:

Q. And leave the amount to be fixed by the Pensions Board?—A. Yes.

Q. And you think that amount should be changed from time to time?—A. You ought to have review.

Q. That is a very great difficulty. Once a man's case is thoroughly investigated by the properly constituted authority, and his status determined and his rates fixed, he might get better, or he might get worse. But the task of determining all these things would be almost interminable. It would mean, for instance, that once a man's status or pension is fixed by the country through the properly constituted authorities, he and his friends know he is going to get that amount no matter what happens, and the fixity and certainty is a very important consideration. Don't you think that would outweigh the exceptional case in which a man might become a little worse?—A. It is beyond my depth, because I am not a medical man.

Q. I am not speaking merely of the medical phase?—A. Instances have come to me. Take a man with a bad heart, suffering from cardiac for example; at first he is not so bad, he probably grows worse. In five or six years that man is almost incapable. It is very hard on him to say that after five years he should be trying to live on something like $10 a month.

Q. Would a medical man not take that into consideration?—A. That I do not know. There seems to me to be illnesses, rather than wounds, that are progressive, and a very little pension makes a man satisfied at first; but it is hard luck if a man, four years afterwards, is not capable of earning a livelihood.

Mr. NESBITT: His case should be reviewed.

The WITNESS: That is why I feel cases should be reviewed.

By Mr. Nesbitt:

Q. And the scale should go up, not down?—A. Up, not down. The downward review does not work. They found that out in France. The men discovered that the harder they worked the smaller was their pension, and the less they worked the more they got. You ought to review upwards.

By the Chairman:

Q. There will be interminable trouble if you do not settle it finally?—A. You are speaking now where the case is not subject to review?

The CHAIRMAN: You are suggesting that it should be reviewed.

By Mr. Macdonald:

Q. I want to get this thing in a logical form if I can. Your view is that you would obliterate the distinction between the first and second degrees altogether. If a man is incapable he would be entitled to a pension. Outside of that class, you say the pension should be a sliding scale, to be determined by a Board, having regard to the present and future disabilities of the soldier. Following that on, would you say, in regard to the capability, what amount of pension should be given?—A. About $54 a month or $12.50 a week. From all I can learn—I happen to know many mechanics and workingmen, both in the country and in the town, and I asked them, what they thought a fair rate was; I took the Labour Department's scale of the cost of living in this country—their figures fluctuate; they are higher now than last year—and on the whole I came to the conclusion that $12.50 a week seemed to be a fair amount.

Q. For a private?—A. Yes.

By the Chairman:

Q. Would you increase the amount if the man had a wife?—A. I would give exactly the same thing, but extra for children.

Q. Not for the wife?—A. No.

By Hon. Mr. Oliver:

Q. Would that amount include services of an attendant?—A. I would not make any arrangement at all, but have one fixed figure of $54 a month, whether he has a wife or not. I would give it to a single man, and to a married man with a wife and no children. I would make an extra grant if there are children.

Q. There is a vast difference between the man who requires an attendant and one who does not?—A. His wife can give him the necessary attendance.

Hon. Mr. OLIVER: But if he has no wife?

Mr. NESBITT: He can hire attendance.

Hon. Mr. OLIVER: If he can hire attendance, then he is getting too much.

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The WITNESS: Your present pension gives a grant for special attendance of $7.33 per month. What sort of attendance can you hire for that?

Hon. Mr. OLIVER: You cannot do it.

The WITNESS: The married man gets nothing for his wife if you fix the scale at $12.50 a week. He and his wife, even if he is badly injured, can live on that because he has no children, and she can look after her husband. If a single man is disabled, there is not a boardinghouse in the town that will take him in; he cannot attend to himself, he may not even be able to get his clothes on and off. Even at $12.50 a week, he would have the greatest trouble in the world living. One man might be able to live on this amount, and another would not; you would have to average it. If you take anything off the $12.50, he cannot live at all.

Mr. MACDONALD: That is if totally incapable, you must remember that fact.

Mr. NESBITT: That is the basis he starts on.

By Hon. Mr. Oliver:

Q. I cannot see the fairness of putting the man who does not require an attendant on the same footing as the man who does require one. The man who is blind, or has no legs or arms, must have attendance?—A. If you put in that special attendance, you will find yourself in more trouble than if you adopted my scheme. It is pretty hard to say what attendance a man gets. A man who needs a little attendance should not get as much as the man who needs a great deal. The American scale gives for full attendance $100 a month, and for partial attendance $75 a month. For full attendance a man can hire a regular certified professional nurse, who looks after him all the time.

Q. Hardly?—A. Yes, he can. There is no sense in offering $7.33 a month. You might as well leave out the whole thing altogether.

Hon. Mr. OLIVER: I am not defending the present arrangement. But your proposed arrangement does not seem to me to be altogether equitable.

Mr. MACDONALD: We are starting with the totally disabled class. The question is whether $12.50 is sufficient for the totally incapable. A totally incapable man must require somebody to look after him.

Hon. Mr. OLIVER: He is totally incapable of earning a livelihood.

By the Chairman:

Q. Suppose a man was a stenographer, and lost one hand. He can still take care of himself?—A. With one hand he can learn lots of things.

The CHAIRMAN: It would depend upon the man.

Hon. Mr. OLIVER: There are two conditions of disability, one applying to earning power, and the disability of personal attention. The man who is so disabled as to require assistance for personal attention is surely in a different position.

The CHAIRMAN: Take the case of a man who is blind.

The WITNESS: A blind man does not require constant attention. They are one of the easiest classes to deal with. A friend of mine recently visited St. Dunstan's House, in London, established for the instruction of the blind, and tells that he never saw anything more cheerful or delightful. It is wonderful to see what blind men can do. They are raising chickens, they kill them, they dress them, and prepare them for market. They have learned it since the war, and this occupation is only one of many.

Mr. NESBITT: They have been able to do wonderful things in the United States with blind men.

Hon. Mr. OLIVER: That means the establishment of institutions, which is another question that interlocks with this.

The WITNESS: The whole question is so large you can talk for hours and not arrive at definite conclusions.

Hon. Mr. OLIVER: We are here for the purpose of providing a pension scale which will meet the requirements as they are at present, without the institutions where those special classes would be taken care of, because we have not any at the present time, and we are not authorized to deal with that question.

Mr. NESBITT: We ought to be.

The WITNESS: In cases of special hardship the board can make some special arrangements about that personally. I hope the rate may reach $12.50 a week. I would not care to live on that if there was nothing the matter with me at all.

By Mr. Macdonald:

Q. You consider $12.50 a fair allowance for a private. How do you grade that up?—A. That does not interest me a bit. You can have the curve go upward fast or slow.

Q. You have no particular views to suggest with regard to the increase of that amount?—A. Take up the $54 a month, and keep the colonel as he is, and that would be the grade or curve. That would be a very much flatter grade.

Mr. NESBITT: The allowance for a colonel is $1,200 a year.

By Mr. Macdonald:

Q. For total disability?—A. The colonel has $1,440. The private gets $264.

The CHAIRMAN: Your rate would give the private more than a lieutenant gets under our present scale. The lieutenant gets $482, and a captain $720. That would be giving a private $630, which would not be very much less than the rate for a captain. You would have to raise all the rest in proportion.

By Mr. Macdonald:

Q. You would leave the colonel's allowance at $1,200?—A. Or $1,440, and raise the private to $630, and they all go up in proportion.

By Hon. Mr. Oliver:

Q. In your report in this pamphlet, you have given a proposed scale?—A. I did; but I have altered my opinion, sir.

The CHAIRMAN: Have you anything else to add, Mr. Darling?

The WITNESS: No.

Witness retired.

The CHAIRMAN: We will be very glad to hear anything that Dr. Clarke has to say to us.

Dr. CHARLES K. CLARKE, superintendent of the Toronto General Hospital: Mr. Chairman and Gentlemen,—Mr. Darling asked me to speak to you as a specialist in regard to some things to which I have paid special attention and which have a bearing upon the question you are now considering. I am superintendent of the Toronto General Hospital and have made a specialty of the study of mental and nervous diseases and I have spent most of my life in that work. We are face to face at the present time in our province and the remark applies more or less to all the provinces, with the fact that there does not seem to be any refuge for the soldier who comes home suffering from new conditions. There are a great many nervous conditions now in the world with which we were not familiar owing to the use of high explosives, and many conditions

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which are quite unusual, and the result is that when these men return there is very little to be done for them in what I would think is a proper way. You cannot care for them in the General Hospital, they cannot be cared for in the convalescent homes. Many of these cases are curable under proper treatment, and the only resource seems to be to send them to the asylum. That seems to be prejudicial, because it puts on them a stigma which they do not deserve—I do not attach that stigma to them, but the general public does, and it is a wrong thing that the man should be prejudiced by being admitted there, especially if he is a curable case. I have seen a good many of these returned soldiers and the conditions I observed are not the conditions ordinarily found in the asylum. They are new conditions, owing, as I say, not to ordinary causes. We cannot care for those cases in the General Hospital. One hates to say it, but our country is so far behind in the care of the insane that we should be almost ashamed of ourselves. We build up large general hospitals for the cure of acute diseases of all kinds, we spend enormous sums in the erection and equipment of the hospital over which I preside; the building alone cost nearly $4,000,000; and yet we have not in the whole province, or in the Dominion, a proper hospital for the treatment of such cases as these curable cases in the early stages. The result is that we have to send them to the public asylum where they generally rank not as individuals, but as one of the herd. That is the fault of the system. Long ago I went to Europe as one of a commission to investigate the treatment of cases of this kind, and I thought we would have had an institution in Toronto for this purpose. We got $100,000 to buy a site, but it never went through and it is hard to see the Americans doing what we should have done. They have established what are known as psycopathic hospitals, just for the care and treatment of these peculiar cases which are curable in the early stages. Taking Toronto as a basis, what have we there? We have one asylum for the population of the county of York and the city of Toronto, a combined population of over 500,000, with only one thousand beds. That does not meet the necessities at all. We should have an institution with 2,500 beds to meet the needs of that community. We have a little reception hospital which is not properly equipped and the result is a great many of these curable cases do not get the proper attention which a great many of the returned soldiers should have.

Mr. MACDONALD: What are the type of cases for which special treatment is required?

Dr. CLARKE: Intense nervous troubles, quite different from the ordinary case of which we always have a certain number. Many of these cases are too violent, they cannot be treated in the general hospital, and their whole recovery depends upon their being taken in hand and treated properly. My impression is that to meet the needs only of the province of Ontario a little institution equipped with fifteen or twenty beds would be sufficient. That institution would have to be equipped rather expensively.

Mr. MACDONALD: Would fifteen or twenty beds be sufficient?

Dr. CLARKE: Yes, because they will recover quickly if they are recoverable.

Mr. NESBITT: Is there not a place in Guelph which would meet the situation?

Dr. CLARKE: That is a private institution at which the patients would have to pay from $30 to $40 a week. In addition to that, this institution should be in the neighbourhood of some of the large hospitals where they would have access to the use of laboratories in connection with their cases. In modern medicine the laboratory is a most important part of the hospital and it is expensive to equip and to maintain. If we had an institution of that kind close to these larger hospitals they could have ready access to the laboratories.

The CHAIRMAN: What would be the expense of equipping such an institution?

Dr. CLARKE: Not more than $20,000 to $25,000.

The CHAIRMAN: What would be the annual upkeep?

Dr. CLARKE: It would not amount to more than the average cost of the hospital patient. Probably $2 to $2.25 a week, which is not expensive. It should be in the care of people who are trained in the treatment of those cases, and there is not the slightest doubt that the medical fraternity who have special experience would be quite willing to give their services free.

The CHAIRMAN: There would be no difficulty in a place like Toronto?

Dr. CLARKE: No trouble at all. For example if such an institution were anywhere near our General Hospital I would be very glad to oversee the equipment and supervise it gratuitously, because it is a matter requiring special knowledge, there is no question about that.

The CHAIRMAN: Do you think one would be necessary in every province?

Dr. CLARKE: In every province.

The CHAIRMAN: Do you think it would be better than to have one large one at some central point?

Dr. CLARKE: Yes, no doubt about that.

Mr. MACDONALD: Have you seen many cases, such as you speak of, requiring treatment?

Dr. CLARKE: Yes, a good many, and then there is a class of case that will have to be attended to and which will require a great deal of consideration because the trouble is not recognized on the private soldiers when they enlist. One of the worst diseases is that of general paresis, which is spoken of as general paralysis. This is a common disease among soldiers, it is syphilitic in its nature and generally takes a period of from five to twenty years in its development. A good many soldiers were sent up to a clinic which I have in the hospital and I found among them a great many cases of this kind; of course they contracted that disease long before they went into the army, but it is a question that will have to be considered as to how far provision will have to be made for them.

Mr. MACDONALD: Could the disease be detected by a careful medical examination when enlisting?

Dr. CLARKE: It could by a special examination, but not by an ordinary examination. You cannot detect it in the early stages unless you have a blood examination. It seems to me that it is a very live question as to what should be done in this regard.

Mr. NESBITT: Do these fellows you spoke of last require prolonged treatment?

Dr. CLARKE: No, fortunately their career is very short; they, ordinarily, do not live more than two or three years after the disease has developed. I have had soldiers come to me and I wondered how they ever passed. Then there are soldiers that are mentally defective, a great many of them are below the ordinary standard; I have found some of them to have a mentality of not more than seven or eight years, in fact I spoke to one the other day and asked him what he was fighting for, and he said he was fighting in the war between the Germans and the United States, and he was fighting for the United States.

Mr. MACDONALD: Would you be in favour of making provision in the pension scale for the men who are defective mentally or partially defective?

Dr. CLARKE: Why not, they are as much entitled to consideration as the others?

Mr. MACDONALD: Are they entitled to be in a class different to the others?

Dr. CLARKE: No, they might come in the total disability class.

The CHAIRMAN: That would be for mental disability in consequence of the strain to the nervous system in actual service. Supposing a man were simply in camp, you would take it for granted in that case that there was some predisposition, some previous cause; that would be different to the case of a man who had suffered a shock in action?

Dr. CLARKE: Certainly, any man who suffers from a shock of that kind.

The CHAIRMAN: There is a difference in the case of a man who was injured in the face of the enemy and one who has only been at camp.

Dr. CLARKE: Certainly. I might mention the case of a man who was admitted to the hospital a few weeks ago who was simply suffering from shock, caused he said by the explosion of high explosives. I would not take his story without a grain of salt; it was a very plausible story he told, that he was on an ammunition transport wagon, and the wagon behind was blown up by an explosive shell and his condition was, he claimed, the result of that. I ascertained, as a matter of fact, that he had never left England, yet he was in a most deplorable nervous condition, there is no doubt about that. Of course this is one of the class of cases that the medical board should have to deal with.

Mr. NESBITT: Are not these nervous men sent to the convalescent homes?

Dr. CLARKE: No, they are not fit for the convalescent homes; I maintain it is cruel to send them there.

The CHAIRMAN: You say a special institution should be provided for them?

Dr. CLARKE: A special institution of some fifteen or twenty beds.

The CHAIRMAN: Would you say that fifteen or twenty beds would be sufficient for a city like Toronto in which there are so many men?

Dr. CLARKE: I think so.

Mr. GREEN: It would be a sort of clearing house.

Dr. CLARKE: A sort of clearing house, and some place of that kind is a necessity. I was speaking to Dr. Marlow and he quite agrees with me that fifteen or twenty beds would be ample. I do not know if this has any bearing on the subject into which you are inquiring.

Witness discharged.

Dr. ALEXANDER CHARLES MCKAY, LL.D., one of the principals of Toronto Technical School, called.

The CHAIRMAN: We will be very glad to hear anything you have to say to us on this subject, Dr. McKay.

Dr. MCKAY: I am specially interested in the equipment of men who are engaged in industrial life and so far as that has any bearing on the question before you I am prepared to speak to you, sir. We, in the province of Ontario, and in many other provinces of the Dominion, have, during the last few years, studied the question of industrial training. When I speak of the Toronto Technical School I wish to be understood as speaking in a certain measure for the other technical institutions of the Dominion, for what we are prepared to do in Toronto for the industrial work may be done in the other technical schools throughout the Dominion. The technical school in the city of Toronto is established under the Industrial Education Act of the province of Ontario, but is sustained by the city of Toronto. The building in which I work was erected recently at an expenditure of over one and a half million dollars, or including equipment, two million dollars before we were ready to commence work. I should like to tell you our object in establishing this institution. Toronto is a great industrial manufacturing city, as you all know, and the majority of the population are interested in industrial work. We designed our institution to provide instruction for people who are going into industrial life. In order to do that we had to bring together in one great building all that applied to and was peculiar to the industrial life of the city of Toronto and we are prepared there to deal with instruction along nearly all of the industrial lines represented in the life of that city. I do not mean to say that every

industry is represented by a shop, but all of the typical industries are represented in the work of the institution. With respect to the returned soldiers I have had many communications from returned soldiers and have been able to do some work for these men. But although these men have been returned in considerable numbers, they have not been in a condition, I have found, to undertake the work that we were prepared to give them in this school for their own benefit. We have had only three returned soldiers in the school and I would like to tell you about those three men, and in doing so if I can to give you a statement of the work which can be done for soldiers there.

The first man who came to us was a man who returned with his left arm practically paralyzed; he was able only to produce a downward pressure with the arm. He had been an expert bricklayer and he came to us to see what could be done for him, I presume under the advice of some hospital committee. I put him in our drafting department, which is not for the preparation of professional architects but of foremen, clerks of works, and so on, with the thought that we could make him a foreman of industrial operations. He went along with the work very nicely for some three or four weeks, when he suddenly disappeared. A few days after his disappearance I received a letter from him from the concentration camp up near Cochrane, in which he said he found it was too early for him to take up the confining work required, he could not stand it to be inside. This was early in the winter, and because of this feeling and on the advice of his physicians, he had decided to take up the outside life again, but that he had been appointed to some official position in connection with the camp there, thus saving all his salary, and he hoped to return to take up the work we had been doing for him and for which he said he was very grateful. It was the opinion of the men in the school that this man could be improved, and in a very short time brought up to a position beyond any he had ever occupied before he went to the war. This was the first man.

The second man who came to us was one who had been in the school, a boy, practically, who went with the first contingent and had his seventeenth birthday on the Atlantic on the way over. He came back shortly after, when he was 18 years of age, with the left eye gone, his left arm shattered, there being a compound fracture in two places, and his legs considerably injured. He has recovered fairly well, with the exception, of course, of the eye. He had been in one of our junior classes looking forward to matriculation in the Department of Applied Science of the University of Toronto in the hope of becoming a civil engineer. He is a bright boy, is able to take up the work we give in the school, and if he can continue in the school for two years longer, he will become, I have no doubt, the man he had planned to be before he went to the war.

The third case is that of one known to some of you personally, a man who had been engaged in railway work before he went to the war. He returned to Canada with a paralyzed right arm.

By Mr. Nesbitt:—

Q. What class of railway work?—A. I could not say definitely except that he had an acquaintance with the moving of trains and such work as that—a pretty intimate acquaintance,—but I could not speak definitely of what particular work he did. He had been advised to come to us thinking that he could be prepared as a railroad telegrapher, and I think the thought came to him because it had been suggested that he might get back the use of his right arm by the use of the key.

Q. What was the matter with his arm?—A. The arm was partly paralysed. It has the appearance of having a new skin on this part of the fore-arm (indicating). I have not questioned him closely about the particular kind of injury he met with. This man thought he could take up railroad telegraphy, and although we had not been doing such work as that in connection with the school we thought we should provide

for him, although he is the only student there requiring such work at present. We placed him in the hands of a very skilful teacher of telegraphy who had had experience in the Canadian Pacific Railway despatching offices, and he has been with us for some six weeks. I may say that he has a fair elementary education, and being a Scotchman, of course, has taken to his work very nicely during the short time he has been with us. He is becoming really an expert telegrapher. I questioned him yesterday about it and he told me he was able to receive fifteen words a minute, which, of course, is a pretty good rate for one who has only had a few weeks' experience. Now then, in connection with this case, I wish to present a matter to you which occurred to me since coming into this room, for before then I had no idea of what line of work would be taken up. I asked him about his pension yesterday. He said he received at the rate of $192 a year. That is a very small sum, only about $4 per week. I said to him, "It is costing you more than that to live in Toronto." "Oh yes," he said, and apparently it had caused him considerable distress. There had been, in fact, a little correspondence about it before he came to us, but I didn't quite appreciate the situation. He has a pension at present, a temporary pension, of about $4 a week, but it is costing him more than that to live in Toronto, and we are charging him nothing for his tuition. I asked him what about the future, and he felt satisfied he was doing something that would be helpful, and was delighted with what was being done for him. He looked forward hopefully to the future, and he said—and this was a suggestion made to him—"In a very short time I hope to be in a position to earn $60 or $70 a month." The suggestion I would like to make to the Committee is this: that provision be made—temporary provision lasting for a comparatively short time—for such men who can be improved in connection with industrial life during the time they are in such schools as we provide in the city of Toronto. The point I would like to emphasize is: so far as my experience goes, there are many men who are returning who can be assisted at the present time, and who can by a little extra assistance from the Government, in a very short time be put into better positions than they occupied in the industrial life of the community before they went to the war. In connection with the school in Toronto, and the same would be true of many others, we are prepared to handle at any time, several hundred of these men. We have an organization that would enable us to do this very effectively, and at a very moderate expenditure, but I think the expense should be borne by the Dominion Government.

By Mr. Nesbitt:

Q. Or by the men if paid sufficient?—A. Or by the men if paid sufficient.

By Mr. Greene:

Q. Your institution, as at present constituted, is rather for the development of the industrial worker than for the care of the physically defective in any way?—A. Yes, it is an industrial school.

Q. What I mean is, your present institution is not for the purpose of taking care of and teaching any one who is physically defective?—A. No, excepting that I see no reason why the distinction should be made.

By Mr. Nesbitt:

Q. Does your school teach tailoring?—A. We have not taken up tailoring for men but for women.

By Mr. Macdonald:

Q. What trades do you teach?—A. I will take the basement floor of the building. We teach there, printing and press work, painting and decorating, plastering and plaster decorative work, cement product work, brick-making and brick-laying; all

branches of woodwork, carpentering and cabinet-making; mill work and machine work of all kinds in connection with wood. In the metal trades: machine shop practice of all kinds, forge work, foundry work; burning of brick, tile, and terra-cotta; electrical work, advanced and elementary, of all kinds; plumbing and steam and gas engineering. We are able thereby to take any men at the school who wish to become equipped as stationary engineers; and I think we have probably the best plant that could be found on the continent for that purpose. I have spoken there just of one floor. We have the chemical industry, in fact there are many industries related to chemistry; the industries related to art, and there are many of these that would be suitable for these men; and then the draughting department, where instruction is given in architectural drawing and machine drawing and all kindred matters.

By Mr. Oliver:

Q. The work done in the technical school would be mostly beneficial to the men who have no hands?—A. Not necessarily so. A man could be provided for who had lost a limb.

By the Chairman:

Q. In the case of decorative work, could a man with one hand do it?—A. A certain kind of interior decorative work, but a man who had been acquainted with building operations, if he was an intelligent man at all, could in a very few months be made a capable inspector of building operations.

Q. Capable foreman?—A. Yes.

By Mr. Macdonald:

Q. In what particular lines could a man with one hand be trained?—A. I have just spoken of one.

Q. Do you mean as a telegrapher?—A. As telegraphers and in painting and decorating, a great deal of that class of work. I have seen a great many men engaged in painting who had only one hand, and a hook in place of the other.

Mr. NESBITT: I have seen men with only one hand do all the work of a farm.

By Mr. Nesbitt:

Q. You do not go into the light trades?—A. We are prepared to go into any trade represented in the industrial life of Toronto.

Q. You took up instruction in telegraphy?—A. We had been in this building and had the opportunity of developing our work only since last September. Of course, telegraphy is a very important work, and a work that will be done regularly in the school, but it had not been done at that time.

By Mr. Macdonald:—

Q. Have you thought of the pension problem?—A. No, sir, I have not particularly thought of it. I have merely thought—and I am quite assured of this—there is great work that can be done for the returned soldier along these lines, and we have the means of doing it.

The CHAIRMAN: On behalf of the Committee I wish to thank you very much for your interesting evidence of this morning.

Witness discharged.

APPENDIX No. 4

Mr. DARLING recalled and further examined.

By Mr. Macdonald:—

Q. You told, I think it was Mr. Oliver, who asked you in regard to the question of the comparison of the Australian and other pension lists, that you had revised your opinion as you gave it in the memo we have all received from you, and which you had so well prepared. You say that you suggest a flat pension rate of $12.50 for the private in case of total disability?—A. Yes.

Q. Leaving the Pension Board to determine in regard to all questions of partial disability. That is as I understand your position.—A. Yes.

Q. In the event that the committee might not be prepared to agree with you in that regard, perhaps you could give us some information as a comparison with other countries?—A. Well, all countries give pensions. As far as I can ascertain the American system is a generous one, but it is very difficult to master all its provisions. I got all the information from Washington, but it would take a pension lawyer to grasp its intricacies. The Acts date from about 1812, and every new measure reverses, or eliminates, or adds to the provisions of previous Acts. I have all the information embodied in a very thick book, but found myself quite incapable of making anything out of it.

Q. In a general way, they make no distinctions between the private and the officer?—A. As far as I can make out they make no distinctions. The total is high, amounting to $1,200.

By the Chairman:—

Q. In case of total disability there is no distinction between any rank in the service, each man gets $1,200 whether a general or a private?—A. Yes. Then for every specified gunshot wound or physical injury, there is a specified rate of compensation. I do not see how that works, because a gunshot wound to one man may be very slight and without inconvenience, whereas to another person it may prove very serious.

By Mr. Macdonald:

Q. Have you any suggestions to make in this connection?—A. I think the principles underlying the Pension Act of each country ought to be discussed and considered very carefully. I object to using the rates of pay obtaining in Australia for the purposes of comparison with the rates prevailing here.

Q. Why?—A. Because our men do not live in Australia.

By Mr. Nesbitt:

Q. The surroundings here are different from what they are there?—A. The surroundings are different.

By the Chairman:

Q. Is there any difference in the cost of living, as compared with Canada?—A. I do not know, but even if Australia paid its men too little, I do not see any reason why we should follow their example.

Hon. Mr. OLIVER: In Australia they have established compulsory training.

The CHAIRMAN: What difference would that make?

Hon. Mr. OLIVER: It would make this difference, that their men over there understand they are liable for military service under some circumstances.

The CHAIRMAN: But they are not compelled to serve, they volunteer. They are compelled to train, but for overseas service they volunteer just as our men do.

Hon. Mr. OLIVER: Here we are on an absolutely voluntary basis. We have a lot of men in Canada to raise for active service, and unless we deal liberally with those who have given their services in the past, we cannot expect to enrol the required number on the voluntary system. In Australia they have established the idea of military service.

The CHAIRMAN: In my opinion the great majority of the men who volunteered for service the first year never considered the question of pensions at all. They never knew whether there were pensions or not, and did not care; they wanted to go and do service for their country.

Mr. NESBITT: A lot of men look more to the patriotic fund and separation allowances, you don't hear them mentioning pensions very often.

The WITNESS: Speaking of men I know in the building trades, a great many of them say, "I don't want a pension, I want a job."

Mr. MACDONALD: That is the case with a lot of the men who came back. They may say that in the first flush of the war, but their outlook is different later when sickness comes. The pension will come in handy when the dark days set in.

The CHAIRMAN: If men are entitled to a pension they will take it.

Hon. Mr. OLIVER: The man who has a physical disability is at a disadvantage in competing with the man who has no physical disability in all lines of life. I would be glad to think that a man is going to get special consideration because of the patriotism he has shown, but I cannot be sure of it.

The CHAIRMAN: It is a very nice thing for a man in need to know there is a little money coming to him.

By Mr. Macdonald:

Q. Now, Mr. Darling, we understand that the result of your investigation—and you have given a great deal of attention to the matter—as shown by your memo., is to abolish the degrees?—A. Absolutely.

Q. And substitute a minimum rate of $12.50 to every case of total disability, no special allowance for an attendant; and then you leave special cases to the discretion of the Board. What do you say to this proposition?—A. I feel very strongly the necessity of giving the unmarried man the same as the married man. The mere fact of the helplessness of the man will very often induce a woman to marry him. If we give $12.50 a week, the man could marry, and his wife look after him. In this way you do not condemn him to celibacy and cheap boarding-houses for the rest of his life. It would be better from the national standpoint, too.

Mr. MACDONALD: The disposition of Parliament in creating a pension board would be to lay down for that pension board exact schedules, while the pensions board's duty would have to be to determine the parties entitled to receive it. I think Parliament would probably feed disposed—it might not on consideration—to fix the schedule which the pension board would apply after the necessary investigation.

The CHAIRMAN: And leave as little discretion as possible to anybody.

Mr. NESBITT: Yet we leave a great deal to the discretion of the Railway Board.

The CHAIRMAN: In the case of definite schedules, men would know exactly what they are going to get, and they could not bring pressure to bear, which would be done to a certainty if the other course were adopted.

Mr. MACDONALD: If you leave the whole thing to the Pension Board, a claimant might reason: If I can get some influence to persuade this board that my case is a little worse than somebody else's and by showing that I will get a little more,—there would be room for abuses. You want to fix a limitation.

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The WITNESS: What I suggest would be that instead of the Government having only two divisions of people beyond those totally disabled, I would let them make it about five. The difference then would not be so great.

By the Chairman:

Q. Can you, Mr. Darling, draft out your idea of what these degrees should be?—A. I have never had an opportunity to argue this thing before. I could not find anybody who would argue it with me. The only man who would argue generally did not know as much as I did. This is the first time I have had somebody to discuss it with.

The CHAIRMAN: I would suggest that Mr. Darling and Mr. Jarvis confer together regarding these degrees.

By Mr. Nesbitt:

Q. Mr. Darling, you told us in the first place you would prefer to leave largely total disability to the board?—A. I would prefer it.

Q. In case you are going to establish degrees, would it not be better to follow the American system of so much for certain specified things?—A. What do you do in a case like that of invalidism?

Q. There is the total disablement.—A. A delicate man, with a poor constitution, getting worse from illness, you cannot put such a case into a definite scale. You can follow the American scale, and fix a specific sum for loss of a thumb or a finger, or the loss of one leg, or both legs, for an arm excised at the shoulder, or a leg excised at the knee. There is a scale of injuries or disabilities of that kind.

By Mr. Scott:

Q. There is great difficulty in this other way too. From total disability, you would divide it up according to the difference between a man's earning capacity?—A. Yes.

Q. The earning capacity of different men varied before they went to the war. One man may earn a thousand dollars a year, another six hundred, and another two thousand.—A. I do not believe I thought of that at the beginning. But I do not think it would be possible to base a pension on the man's earning power before he went to war. You would discover that all the budding millionaires of this country had gone to the war. There would not be a man in that case who had not been earning at least $1,500.

Mr. SCOTT: If not upon earning capacity, how are you going to get at it. Are you going to say the earning capacity of every man is the same?

The CHAIRMAN: For this purpose, no matter what system you adopt, it will require careful administration.

Witness retired.

Committee adjourned.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 110.

FRIDAY, March 24, 1916.

The Special Committee appointed to consider and report upon the rates of pensions in force in Canada for disabled soldiers, the establishment of a Pensions Board, and other matters relating thereto or connected therewith, met at 10.30 o'clock a.m., Hon. Mr. Hazen, Chairman, presiding.

The CHAIRMAN: Mr. Darling, I think you were going to consult with some of the officers of the Pension Board and prepare a memorandum for submission to the committee, have you done so?

Mr. DARLING: I met Mr. Borden by arrangement yesterday afternoon, it was well on to four o'clock before I was able to do so, and we talked the matter over at large; I was unable to see any one else, because by the time I left Mr. Borden it was 5.30 o'clock.

The CHAIRMAN: You had suggested to the committee that the first and second degree should be fused together, that is, that there should not be any difference in the amount paid a man who was injured or contracted disease in action or in the presence of the enemy, and the amount paid to the man, whatever the character of his disease that developed after enlisting; and after that you said you would suggest a division into five degrees.

Mr. DARLING: There is no use in mixing the two things, once the two degrees are eliminated, most decidedly that division should take place.

The CHAIRMAN: You were going to make a memorandum showing what your suggestion would be, but have you not had time to do that?

Mr. DARLING: No, I have not.

The CHAIRMAN: Will you do that a little later on and submit it to the committee?

Mr. DARLING: I will do that with pleasure. (See also Exhibit 1, pages 69-71.)

The CHAIRMAN: Now, gentlemen, I think it will be well to hear Mr. Scammell. Mr. Scammell, we will be very glad to hear any statement you have to make.

Mr. E. H. SCAMMELL called and examined.

By the Chairman:

Q. You are secretary of the commission regarding convalescent homes, are you not?—A. Yes.

Q. Is that the title of your committee?—A. No, the Military Hospitals and Convalescent Homes Commission.

Q. Now, if you have a statement to make to us, or if you desire to give us any information we will be very glad to hear it.—A. In the first place, I should like to say I am not officially representing the commission in the suggestions I am going to make, with the exception of one or two, which were dealt with at the last meeting of the commission, held March 13, 1916. The following appears upon our minutes:—

PENSION.

Mr. Dobell strongly recommended that pensions in Canada should be based upon the degree of disability not upon the loss of earning power. It was resolved that this recommendation be submitted to the Pensions and Claims Board and also the Government.

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> In view of the great importance of a satisfactory pension arrangement it was resolved to recommend to the Government that a permanent Pensions Board be created on the lines of the Railway Commission, consisting of three or five members who would devote their whole time to this work.

It will be seen that the commission asked for the appointment of a Pensions Commission which would be independent of any Government department, and independent of both parties. Then in the second place they asked that the pensions should be according to disability and not according to the loss of earning power.

Q. According to disability and not according to the loss of earning power?—A. Yes.

Q. How are you going to figure disability unless you consider earning power?—A. In this way, if a man has lost an arm or a leg, or has suffered in some special manner which can be diagnosed that it should not matter whether he is a lawyer, a banker or a labourer, the pension should be the same in all cases.

Q. That is if a lawyer loses an arm his pension should be the same as that of a bricklayer who loses an arm?—A. Yes, sir.

By Mr. Macdonell:

Q. That is the case now, when the men are of equal rank in the service?—A. Yes, but in England it is different.

Q. You mean only if they are equal in rank they should be the same, is that what your committee desires?—A. I am dealing at present with the private soldier only.

By the Chairman:

Q. Have you a copy of the resolution you speak of?—A. I will put that in. I should like to explain more fully the situation with regard to the disability question. In England it is a question of the loss of a man's earning power, and the result has been that men are refusing to take special training which will give them increased earning powers. Mr. Dobell, who made a report which was referred to yesterday by Mr. Darling, says in regard to this:—

> "We think it most essential that all pensions should be allotted on the basis of physical disability in the untrained labour market and without any consideration as to what a man was earning before or what he may be able to earn in the future by his own initiative and hard work. Both France and Belgium realize that a self-supporting citizen, even though he is maimed, is an asset to the State, whereas a man living on an allowance of so much a week, is entirely non-productive and only an incubus."

I may say that Mr. Dobell reported a special case when he submitted this statement. He met a man who had just left one of the convalescent homes in England, who was granted a pension of 25 shillings per week—that is ten shillings and six pence pension and fourteen shillings and sixpence extra allowance. This man was of an industrious turn. He took some special training and started in to earn 30 shillings per week. The British Government immediately dropped his pension from 25 shillings to ten shillings and sixpence. He pointed out to Mr. Dobell that if he had simply sat down under his disability and had taken to drink, as another man who was in the same room had done, his pension would have been continued at 25 shillings per week. Even here that point is being raised by the men in the convalescent homes. They say to us: "If we take vocational re-education we are going to lose our pensions and we shall be up against the same difficulty as the men are in England and France." Mr. Dobell stated that the British Government is contemplating a change to a system by which the pensions shall be based, not upon loss of earning power, but upon actual disability.

Q. That is like the American system?—A. It is like the American system. I do not know whether they intend to introduce a specific pension for a specific disability, or whether they intend simply to classify the disability. But the Military Hospitals Commission is very strongly of the opinion that our plan here should be changed. At the

present time a man is granted a pension for one year. Take the case of a man who has lost his leg: he is granted a pension for one year. At the end of a year he has to come up for further examination, and if by applying himself to study he has been able to make up for some of the loss he has sustained, his pension may be reduced or even may be cancelled altogether. That hardly seems fair to the man who is industrious.

By Mr. Nickle:—

Q. Is that final at the end of the first year?—A. One or two pensions have been granted for life. I do not think there are very many.

By the Chairman:—

Q. That is where there is no chance of recovery?—A. Where there is no chance of recovery at all.

By Mr. Nickle:—

Q. Under the present system are there annual revisions?—A. That is the present system.

Q. And are the annual revisions continuous?—A. Yes, continuous in that respect. The Military Hospitals Commission has made arrangements to give a vocational re-education to all men whose disability prevents their returning to their previous occupations, and that, I think, has a very vital bearing upon the question of pensions. For instance, supposing a man has lost his leg and he was engaged as a plasterer or painter. We propose to give that man an opportunity to enter a new occupation where the loss of his leg would not mean the loss of earning power. A beginning has already been made. In the Convalescent Home in Ottawa, we have installed a schoolmaster. That is to be followed by similar action in all the convalescent homes in the country. Thus the men who are there may have their elementary knowledge brushed up so that when it comes to a question of entering a technical school, or taking special technical education, it will not be necessary to go over the ground work. Further, it will have a therapeutic value in that it will give the men mental occupation as well as training. If, however, we are to carry out a definite scheme of vocational re-education, it will be necessary to maintain these men, and to maintain their families, after they have left the convalescent homes. A suggestion was made yesterday, sir, that men should be continued on military pay while they were undergoing such training. That plan would not work at all, for two reasons: First, the man should be discharged from the Canadian Expeditionary Force before his training begins.

By Mr. Macdonald:

Q. Why?—A. Because he will not be under the Militia Department, sir, he will be under the commission entirely.

Q. But why should not the Militia Department hold him on pay?—A. For the second objection I was about to make, sir. The private's pay is $33 a month. That is too much to continue to pay to a single man who is being trained and in some cases kept, at the expense of the country. It is too little for a man who has a family, because he loses the Patriotic Fund allowance, and he would find it impossible to maintain a family on $33 a month.

By the Chairman:

Q. What do you propose to substitute for that?—A. The proposition is that every man who is undergoing vocational re-education, should receive a stated allowance. A scale of pay has been drawn up which has been submitted to the Government. It varies according to whether the man is single or married, and according to the size of his family. In that scale cognizance is taken of the amount paid at present by the Militia Department and the allowance received from the Patriotic Fund.

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By Mr. Macdonald:

Q. The minimum being what?—A. The minimum being the amount of a man's pension.

Q. Under the present schedule?—A. Under the present schedule.

Q. What control is exercised over him? Suppose a man is in a convalescent home and begins a vocational training —A. There will not be much vocational education given in a convalescent home. The men are not well enough for that.

By Mr. Nickle:

Q. Then the training given there is practically negligible?—A. Except the elementary training.

By the Chairman:

Q. You have a schoolmaster to brush up their elementary knowledge?—A. We shall give a certain amount of elementary vocational training, bench work and work of that kind, according to what a man is able to stand. But when he is able to leave the convalescent home, when he is placed by the Militia Department either into class 1 or class 3—class 1 being for immediate discharge without pension and class 3 for immediate discharge with pension,—then he is in a position that we can take hold of him and place him in a technical school, or put him to work in a shop or on a farm where he can receive training until we find him some occupation. But we have to keep that man.

By Mr. Macdonell:

Q. Would you make it optional with him to retain his pension, and go about his affairs in his own way?—A. You must, sir.

By Mr. Macdonald:

Q. Will you cut off his money if he does not follow out your advice?—A. Certainly, if he does not take the training which the commission has provided.

Q. That seems all right. But what happens if he does not obey the conditions? Does he revert to a pension, or is he dropped?—A. So far as the commission is concerned he must be dropped.

Q. I suppose he would be entitled to some pension. Do you allow him to take his pension and go?—A. Yes. In many cases the men we deal with are men who have already been pensioned. And it is proposed that the amount of their pension should be taken into consideration in the allowance which is made for their support and the support of their families during the time they are undergoing training.

Mr. MACDONALD: I see. So that, if that scheme works out, you have to have a sliding scale in the pensions.

The CHAIRMAN: Not in the pensions.

Mr. MACDONALD: The amount of the pension is assumed to be fixed.

By Mr. Scott:

Q. That is, according to his injury?—A. Yes.

By the Chairman:

Q. Of course, reports would be received from the head of the school as to his conduct, progress, attendance and so on, and somebody would have to be there to see that he is taking advantage of the provision made?—A. We are appointing vocational officers covering the whole country. Yesterday, the vocational officer for the Maritime Provinces and Quebec arrived in Ottawa—Colonel Macdonald knows him very well—Mr. Sexton, Director of Technical Education in Nova Scotia, who has been loaned to the Commission for this purpose. After the meeting here yesterday Dr. Mackay spent a considerable time with us, and we arranged at the meeting that he should suggest a similar officer for Ontario with headquarters in Toronto.

Q. What has Mr. Kidner to do in this connection?—A. He is the Vocational Secretary; he has charge of this educational work, and all the educational officers throughout the country will be under him, and through him under the commission.

By Mr. Nickle:

Q. Before you leave vocational training, who is to decide as to what vocation a man shall enter?—A. We are arranging for a vocational committee in every centre, which will be responsible to the Provincial Commission appointed in connection with the question of employment.

By Mr. Chairman:

Q. Who appointed the Provincial Commissions?—A. They were appointed by the Provincial Governments as a result of the conference held in Ottawa last October between the Federal and Provincial Governments, for the purpose of providing employment for the returning members of the Expeditionary Forces. There is a Commission in every Province.

Q. They are working in harmony with your Commission?—A. Yes, virtually as sub-committees of the Federal Commission.

By Mr. Macdonell:

Q. The plan indicated by you has three stages: first, that of the soldier pensioned before he comes to the convalescent home; then a series of treatments there, or a temporary residence in a convalescent home, during which he receives the elements of vocational instruction. And thirdly, before he will do any work, he adopts some vocational instruction, goes into a technical school or a vocational school, and fits himself for some trade?—A. The second and third points I agree with; but I do not quite understand the first one.

Q. The first one refers to the condition of the ordinary soldier when he is wounded and gets a pension?—A. No, sir, he does not get his pension until after he has received such treatment as can be given him to minimize his disability.

By the Chairman:

Q. He gets the pay of his rank?—A. Yes, but not his pension.

By Mr. Macdonell:

Q. Surely, if a man is injured, he gets his pension?—A. No, sir.

The CHAIRMAN: He would go into a convalescent home for treatment, during which time he still receives his pay as a soldier. After a month or two in the convalescent home if his injury has not disappeared, or he is not cured, he would be recommended for a pension according to the degree of his disability.

Mr. MACDONELL: He need not take the training if he does not wish to; he can take his pension. It would be optional with him.

The CHAIRMAN: Yes, whether he went into a school or not.

By Mr. Nickle:

Q. As long as a man is in the convalescent home, he is still supposed to be in the service of the State, and if he recovers he is liable for further military service?—A. That is so in theory. But, in practice, only those men who are not likely at all to be able to continue military service are sent back to Canada.

Q. I am just speaking of the theory.—A. At first they were sending back some capable of returning to the front, but definite instructions have been issued that such men are to be kept for convalescent treatment in England, so that the country should not be put to the expense of bringing them across the Atlantic and taking them back again.

By Mr. Macdonald:

Q. When the Medical Board on the other side report that in their opinion men are not fit to fight they are returned to Canada?—A. Yes, that is the practice.

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By the Chairman:

Q. Those who are invalided home it will be taken for granted are unfit to go back again?—A. Some of them are fit to take up civilian employment, and those men on arrival are put into what is known as class 1, and are given 15 days' pay and transportation to their homes, and let go about their business. Then the Provincial Commission take hold of these men and find them work. Up to the present there has been no difficulty in placing every such man who has come back. Those who are unfit to take up civilian employment are placed in class 2 for convalescent home treatment. A few whose disability is such that convalescent home treatment will not benefit them, are immediately placed in class 3 for pension, and their papers are sent to Colonel Dunbar, who is President of the Pensions Board, and their pensions are dealt with at once.

By Hon. Mr. Oliver:

Q. It is rather an odd condition that a man is not fit for military service and yet is fit for civilian employment?—A. There are a great many such men, sir. For instance, to be very personal, take myself: if I went to the front I should be returned at once as unfit for military service, but I think I am quite fit for civilian employment.

Q. Suppose I went as a soldier; I had a certain constitution when I went, I come back weakened so far as that constitution is concerned. Now, even supposing I am able to go into civilian employment, and carry on to some degree, I have suffered a very substantial loss. Am I to get no consideration for that? My life in all probability has been shortened, my possible earning power has certainly been restricted, and I get no consideration?—A. Do you mean that if your earning power has been restricted because of an ascertainable disability?

Q. Yes, contracted during service.—A. You would not be immediately discharged.

Mr. SCOTT: You would not consider his earning capacity at all. You are going to base your pension on the actual injury he has received. How are you going to get at that?

The CHAIRMAN: Just like the Americans do, so much for a leg or an arm.

By Hon. Mr. Oliver:

Q. In one case you are going to base your allowance on physical disability?—A. No, sir, every man whose disability is such that it interferes with his following a civilian calling——

Q. That is the question of earning power?—A. It is closely allied.

Hon. Mr. OLIVER: It is not allied; it is the actual fact.

By Mr. Macdonell:

Q. Take the cases—and there are many of them—of what you may call nerve destruction. There are young men coming back whose nerves are destroyed, possibly temporarily. They are unfitted for military service, and they are returned home. They look well, and feel reasonably well, but they are substantially impaired for life. How would cases of that kind be dealt with?—A. They would come under pensions.

By Mr. Nickle:

Q. What is the physical disability of a man absolutely sound, but who cannot control his hands?—A. He would come under class 2, for further treatment in either a convalescent home or institution.

By Mr. Macdonald:

Q. Does he still draw pay?—A. Yes, so long as he is undergoing treatment.

Q. He has to report to the permanent medical officer for inspection until his case is finally determined?—A. Yes, if it is found that he is permanently disabled, however, he is a proper case for pension.

By Mr. Nickle:

Q. It is difficult to set a scale for that type of case?—A. I do not know that it is. It is being done now. It should be an easy matter for a medical board to assess that man's disability at 25, 50, or 75 per cent.

Mr. SCOTT: You are getting right back to earning capacity when you do that. The difference is not the basis of what it should be awarded on, but if the man goes into some new occupation you instruct him. Your objection to the old method is, if he is able to earn more money his pension would immediately be reduced, and you want to avoid that. But you are not really avoiding that if it is fixed.

Colonel BELTON: Might I suggest that these questions be put to the President of the Pensions Board? I think Mr. Scammell is leading you astray.

The CHAIRMAN: We will take his evidence later on.

By Hon. Mr. Oliver:

Q. To get back to my question. It appears to me that when a man is disabled to the extent of requiring his discharge from military service, there is an important question as to whether he is entitled to consideration for that amount of disability or not. Whether or not, he is able to go back to civilian life, he has suffered disability. Under your proposal he is to receive compensation for that disability thereby suffered?—A. Certainly, he is.

By the Chairman:

Q. What would you say?—A. What disability has he suffered?

By Mr. Nickle:

Q. I will give you an instance, of a case I know of myself, of a despatch rider, who has had his heart dislocated. Take first the case that he was a labourer, and secondly that he was a clerk. There is the physical disability in each case.—A. I should put it upon the same basis.

Q. In one case it does not affect his ability to earn a living at all; in the other it does.—A. We would train him for some calling.

Q. You won't give him any pension if he can be trained in a new calling?—A. That I do not know. The question of pension will depend upon what the disability is.

Mr. SCOTT: The great objection is the first point. If you teach a man a certain vocation and then attempt to take away the pension, you take away the incentive to improve his condition. Once having specified the pension a man is to receive you cannot reduce it.

Hon. Mr. OLIVER: If it has been honestly granted.

The CHAIRMAN: If he has fulfilled the conditions entitling him to a pension.

Mr. SCOTT: That is a fundamental principle.

The CHAIRMAN: The principle is pretty much the same. A judge of the Supreme Court is entitled by law to a pension if he has served fifteen years; it is a legal right. He gets his pension, but that does not preclude him from practising law or going into parliament.

The WITNESS: But there is another side to that question which I think we should consider. There are two classes of injuries; there is a definite ascertainable injury which cannot be relieved by treatment. If I lose my leg, I shall never grow a new leg. There should be a definite pension which cannot be reduced in any way because of the loss of my leg. But if I have contracted rheumatism in addition to that, or some other internal complaint from which I am likely to recover, I do not think we should give a permanent pension for a complaint which is not permanent. Consequently, in cases of that kind, the pension should be subject to revision either once a year, or at such intervals as may be decided upon. My suggestion to this

committee is, that we follow in some degree the American practice of giving a fixed pension for a fixed injury; but those injuries which are not fixed and which under treatment or in time, are likely to improve, should be classified, and a supplementary pension of a temporary nature given to cover the period during which the man is likely to suffer such disability. I am not speaking in this for the commission, but for myself, after looking fairly closely into this matter. But pensions for the loss of limbs, or for the loss of any functions which cannot be repaired, I think should be for life. There is no reason why it should not be laid down absolutely that, if I lose my leg below the knee, I am entitled to a certain pension. There is no need to investigate my case at all; that pension is due to me, and it should be mine for life. Now, may I pass to the next point.

By the Chairman:

Q. Would you give the same pension to the officer who loses his leg as to the private?—A. I am sufficiently democratic to say yes.

By Mr. Macdonell:

Q. Would you have no classes?—A. I should very much prefer that there be no classes. Taking the next point: according to the present Act, pensions are granted to the man only, except when he is totally disabled, then a pension is granted to the wife and a further pension to the children. Take the case of a man in the first degree who according to the present Act is wounded in the sight of the enemy. He gets a pension of $22 a month; his wife is given a pension of $11, making a total of $33. If he has three children, then he gets $5 for each child, making a total of $48 a month. Supposing, however, the Medical Board find that man's disability is 75 per cent—I am open to correction if the percentage is named wrongly—he falls short of the total disability pension, and gets the second degree, namely $16 a month, and his wife, if he has a wife, gets nothing at all. There is a difference in the case of a man with three children, of from $48 down to $16 a month. Now, a great many cases have come under my notice in which this scale is working very hardly. Men have not been totally disabled, but they have been so far disabled that a pension of $16 a month is a mere pittance, and according to the New Zealand and Australian Act, pensions are given in all degrees, or may be given in all degrees, to dependents. I have here the definition of "Dependents" given in the Australian Act. It says: "'Dependents' means the wife or widow and children or ex-nuptial children of a member of the Forces, whose death or incapacity results from his employment in connection with warlike operations, and includes such other members of the family of that member of the Forces as were wholly or in part dependent upon his earnings at any time during the period of twelve months prior to his enlistment, or who would, but for such incapacity, have been so dependent, and parents who though not dependent upon the earnings of the member at any time during the period of twelve months prior to his enlistment are, at any time within five years after his death, without adequate means of support; and where the member (i) being the grandparent of an ex-nuptial child, leaves the child so dependent upon his earnings; or, (ii) being an ex-nuptial child leaves a parent or grandparent so dependent upon his earnings, includes such an ex-nuptial child and parent or grandparent respectively." I strongly urge, sir, that, in any revision of our Pensions Act, dependents of others than those who are totally disabled should be eligible for pension. I should like to give an illustration which came definitely before me the other day. This letter was received from the Secretary of the Returned Soldiers Manitoba Commission, and reads as follows:—

> "I wish to bring to your attention a case of Mr. and Mrs. Hodge, 431 Simcoe street, Winnipeg, whose two sons, Henry B. Hodge No. 109400, and Robert L. Hodge No. 106021, both belonging to the 4th Batt. Canadian Mounted Rifles, 2nd Brigade, have been killed, the first on December 1, 1915, and the second was killed on December 10, 1915. Mr. Hodge is 78 years of age, and

Mrs. Hodge is only a few years younger. The old people are in destitute circumstances, Mr. Hodge not having worked for over twenty years, and their two sons as noted above were their mainstay.

"I wish, under the circumstances, you would use your influence with the Officer of Pay and Pensions to see if an exception cannot be made in this case and a pension granted to these old people who have given their only two sons to the country.

"As you will observe, in view of the age of Mr. and Mrs. Hodge, the pension will not continue very many years.

"I inclose certificate as to this old couple's circumstances, signed by Dr. Campbell of this city."

I referred that matter to Colonel Dunbar, and he very kindly took it into his consideration, and replied that if definite information could be forwarded, certified information, as to the circumstances of these old people, arrangements might be made to grant them a pension. But that, sir, is not a right; it is a favour; and I maintain that in a case of this nature the parents of such men should be entitled to a pension without having to make an appeal *ad misericordiam* for it.

By the Chairman:

Q. If they are in easy circumstances, I do not think they should receive a pension? —A. In that case, no, certainly not.

By Mr. Macdonald:

Q. It should be granted only in cases of dependence.—A. Yes, but a widowed mother, if a dependent, would have got it, but because her husband is 78 years of age and alive, according to our Act they are not entitled to a pension.

By the Chairman:

Q. There will be many cases where claims will be made for pensions for parties who should not get pensions, and I think we ought carefully to consider cases of that nature. If the father is alive and unable to work there is no reason why a pension should not be given if the son has been killed.—A. There is no reason.

The CHAIRMAN: Already, there have been attempts to set up claims that are not justifiable. You have to guard the country against that sort of thing, or you will run away with millions of dollars unnecessarily.

Mr. MACDONALD: That is one side. There is the case of the woman who has lost an only boy.

Mr. NICKLE: You will have to define "dependents" very carefully.

Mr. MACDONALD: May I ask what the term "beneficiary pensioners" refers to?

Colonel BELTON: There is no doubt, in the case just mentioned, these people will get a pension, and the Act plainly provides for it, the present Pay and Allowance Regulations allow for that.

The CHAIRMAN: Please proceed, Mr. Scammell.

The WITNESS: Another case, which is somewhat analogous to this is the following: I have a letter from Winnipeg regarding the mother of the late Sergeant-Major Hall, V.C., and I referred the matter to Colonel Ward who was here yesterday, and he wrote me the following letter:—

"With reference to the attached correspondence regarding special pension for Mrs. Hall, mother of the late Sergeant-Major Hall, V.C., no provision has been made for this at present by the Dominion Government. I might point out that in the British service a special pension of £10 a year is granted to every soldier who receives a Victoria Cross from the date of act of bravery by which the decoration has been gained, and there is also special provision in the event of an annuitant being unable to earn his livelihood, that this amount may be increased. But as far as I know, this special pension ceases with the death of

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the soldier, and I do not think that there is any provision whatever made for any special pension or additional pension being granted to the widow, or any other relative of the deceased in consequence of his having gained the Victoria Cross.

"If you desire to bring this matter forward, you had better forward the case officially, and I would like you to add a copy of this reply so that the Militia Department may be in possession of the facts when you represent the case."

By the Chairman:

Q. Did Sergeant-Major Hall obtain the Victoria Cross in this war?—A. Yes, sir, and he was killed. Many people in Winnipeg think, as his mother is in poor circumstances, that she should receive some recognition.

Q. Doesn't she receive a pension?—A. That I cannot say. Perhaps she does.

Q. Is she a widow?—A. Yes.

Q. Then she would be entitled to something?—A. This was the letter referred to (reads):—

"When we remember the glorious achievements of this Winnipeg boy (whose gallantry has not apparently been fully realized by the citizens of Winnipeg) it behooves us to leave no stone unturned to see that Mrs. Hall is granted the privileges that go with the coveted decoration without undue delay."

Q. There are no privileges in this country going with the Victoria Cross? That simply raises the question of whether a man gaining the Victoria Cross, the D. S. O. or the D. C. M. is entitled to extra recognition.—A. Another question to which I desire to call attention is that of the Employers' Liability Act.

By Mr. Nickle:

Q. Before you leave pensions, what is your idea in relation to commutation of pensions?—A. That this Pensions Committee should take power to arrange for it.

By the Chairman:

Q. You think power should be given to the Pension Board to commute in special cases?—A. I had that as a point to be taken up a little later on. I shall be very pleased to give the Committee, if desired, some information regarding the working of that matter in England. I say that some years ago, my father, who has taken a large interest in returned soldiers for many years, got the British Government to reduce, or rather abolish, the age limit at which a man might commute his pension. Previously the age had been 50 years. Now, there is no age limit. Owing to this, a very considerable number of ex-British soldiers have been enabled to settle in this country and in Australia. Some of these have gone back to take part in the present war. I should be very glad if, at some future time, you would like to have information upon this question, to supply it.

By the Chairman:

Q. Was it not the practice to send a Government commissioner to Canada in connection with commutations?—A. No, that is another matter and had to do with the payment of Imperial pensions in Canada. I am referring to a lump sum given to a man in certain circumstances. He might wish to buy a business or emigrate. I have the figures at which these pensions can be commuted.

By Mr. Nickle:

Q. They are based on the expectancy of life?—A. Yes. Some of the English insurance companies offered to do this: they would give a man a lump sum for his pension, but would restore that pension at the age of 65. If he died before reaching the age of 65, they gave his estate a hundred pounds, or something like that. The whole thing can easily be worked, and I would very much like this Committee to recommend that power be given to commute pensions in certain cases.

Mr. MACDONALD: It should be exercised with the greatest possible care. You may find a pensioner who may be very optimistic, but who may eventually come back on the State before he dies.

The CHAIRMAN: Then there might be a case where a man got his pension and blew it in.

Hon. Mr. OLIVER: I am strongly against any commutation of pensions.

The WITNESS: I should like to see the Pensions Board given power to do it, as they do in England.

By Mr. Nickle:

Q. The point has been raised by the Soldiers' Aid Commission in Ontario that some provision be made by this committee to prevent the possibility of the Pensions' Claim agent arising. The proposal is that each Provincial Commission should appoint a legal representative to deal with the claims of the men who live within that province. The idea is to get away from the pension claims shark.—A. It would be very excellent if it can be carried out.

Hon. Mr. OLIVER: Nothing should intervene between the pensioner and the Crown. There should be a wide open board to take up these claims. It would be a pity if we cannot get people to occupy the position of dispensers of pensions who can be trusted.

Mr. NICKLE: In the United States there is a class of pensioner grown up, who agrees that if he gets a pension he shares part of it with the attorney. I think each province could appoint representatives to apear before the Pension Board so that the man would not be put to any legal trouble at all. Each province would assume the responsibility of seeing that a man's claim is properly presented.

Mr. MACDONALD: You would make the system too cumbersome. A man fresh from the war ought to have no difficulty in securing his pension, and there would be no reason why he could not employ his local lawyer. The Republican party in the United States was living on the Civil War, and they kept pumping and extending the pension system, and it was made a piece of political jugglery.

The CHAIRMAN: Colonel Dunbar, have you up to the present time had lawyers come and present claims to you?

Colonel DUNBAR: To my mind, that is quite unnecessary. As soon as we receive a notification of the death, and that notification has been sent to the widow and acknowledged, I write the widow and send her the necessary forms, and tell her what to do and send in the application.

Mr. NICKLE: That is hardly correct. I think I could name a case where there has been delay, which has been hanging for six months.

Colonel DUNBAR: That is in the case of a man reported missing.

Mr. NICKLE: No, a man who is dead, his death being due to an injection of toxin which caused Bright's disease.

The CHAIRMAN: Up to the present time, you have had no lawyers coming before you?

Colonel DUNBAR: No, sir.

Mr. NICKLE: This claim I speak of was filed by a lawyer.

Mr. MACDONALD: Naturally, the widow would go to a lawyer in the place where she lives to see that the papers were made out properly.

The CHAIRMAN: Please go on, Mr. Scammell.

The WITNESS: I wanted to refer to the question of workmen's compensation. I have a letter here from Dr. Hutchison, of Montreal, the medical officer of the Grand Trunk Railway, dealing with this question. He writes Mr. Smeaton White, of Montreal, and says (reads):—

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"Referring to our recent conversation in reference to returning invalid soldiers, I promised to write pointing out that in my opinion it seemed desirable that some alterations should be made in the existing Provincial Workmen's Compensation Acts. By referring to these Acts you will see that while previous to their coming into effect, an employing company was at liberty to engage the services of an employee who might be suffering from some physical disability or defect, but still able to do some special class of work, in which case a release was drawn up protecting the physical defect, and the man was thus enabled to get work. Since the Acts came into effect most of them have a rider making it illegal to make any restrictions, sign releases, or in any way involve the man and the only logical conclusion for an employing company is to have all its men physically examined and refuse to give employment to any who have any defect whatever which would in any way endanger the company's interests and every carefully managed company would refuse to take on men who failed to pass this examination."

and then he gives an example. I do not think I need read the whole letter.

By the Chairman:

Q. Read the example?—A. (Reads):—

"Assuming that a soldier who has lost one eye but is perfectly capable of continuing his former occupation with the other eye is given employment and later suffers the loss of his other eye, the employing company would be open to the charge that as this man is now completely blind he has suffered 100 per cent in incapacity as a result of his latest accident.

"Many other less striking examples could be mentioned. It has occurred to me that if the law was so altered as to hold the employing company jointly responsible and that any pension a man might be getting from the Government as a result of his military work, were taken into account and the employing company were charged with a proportion of the damage, it might be made easier to give these men employment. I have before me at the present time a letter from a wife stating that owing to her husband being unable to pass a physical examination, he has failed on this account alone from getting employment in a number of places, although the defect which he is suffering from he has had since he was a child, and he has been able to maintain himself and his family until the present year through lack of work he has been thrown out of his former place of employment. I might mention this is in the United States where the Workmen's Compensation Acts are rigorously lived up to and the workmen who have agitated for these laws have lost sight of the fact that a large number of the working population have defects. This number is much larger than the average man believes and you can very easily appreciate the point by learning of the number of apparently healthy workmen who have failed to pass the military examinations on enlisting."

By Mr. Nickle:

Q. He means "medical examination?"—A. He says "military." I think he means "medical."

"When the Workmen's Compensation Act became well established in England some years ago, it was said that as much as 25 per cent of the employees in the country failed to pass the medical examination and that thousands of men were dropped out of their regular places of employment either through advancing age or physical defects."

Now, I think, sir, that is a matter you ought to take into consideration as it has a very direct bearing upon the amount of a man's pension if he is to be penalized in the labour market.

By Mr. Scott:

Q. Are there many provinces that have those restrictions?—A. I believe three provinces, Quebec, Ontario, and Nova Scotia.

Mr. SCOTT: In the province of Ontario it would not operate within the Workmen's Compensation Board.

Mr. NICKLE: That is going to be one of the most difficult problems to solve in the province of Ontario.

Mr. MACDONALD: The Compensation Board only fix the damages, and collect the money and so on.

Mr. NICKLE: The classes of employment in Ontario fall into groups, and the employment is in accordance with the danger of the group. Certain employers are objecting to employing disabled men as they think it is raising the tax on their group.

Mr. SCOTT: The way the Act is now, if a man lost his remaining eye and was completely blind the whole cost of that compensation would be charged up to that particular group.

Mr. NICKLE: Many of these men go back into certain groups, which is going to make it a more expensive risk of employment than if they did not take the man in. That is one of the difficulties that will have to be faced.

Mr. GREEN: An exception may be made in some way or the other.

Mr. NICKLE: We will have to get the Chairman of the Employment Commission here.

Mr. MACDONALD: If the attention of the various provincial committees were called to that fact, they might make some amendment to the Act.

The CHAIRMAN: Mr. Nickle suggests you might get some provincial representative here, and I would suggest that he let us have the name of the proper party to summon.

Mr. NICKLE: I shall try to do so.

Mr. MACDONALD: If it were brought to the attention of the Provincial Commissions by Mr. Scammell, as most of these Legislatures are sitting at present, they might do something.

The CHAIRMAN: The Legislatures of Ontario and Nova Scotia are in session now. Will you communicate with them, Mr. Scammell?

The WITNESS: I will, sir. The next point I have is that there should be a definite ruling made by the new Pensions Board that men should be regarded as fit unless it can be shown that when they enlisted they kept back something. If a man has been passed as physically fit on enlistment——

By Mr. Macdonald:

Q. He is presumed to have been fit.—A. In this connection I should like to quote a remark of Lord Lansdowne's. He said (reads):—

> "If we have to deal with the case of a man, who on discharge is unable to support himself, and who but for hardships or injuries received during the war would have been able to support himself, I think that man is clearly entitled to claim that proper provision be made for him. It seems quite impossible that the State should repudiate liability merely because researches into the history of the man disclosed the fact he had in him the seeds of disease."

I am quite aware that the Pensions Board has most liberally interpreted that condition here in Canada.

Q. What is the provision now about it?—A. I do not know whether there is any special ruling on it.

Q. It should be in the Order in Council.—A. If a man has suffered from a disability, even though it may have been occasioned or commenced before he enlisted, his case is most liberally dealt with.

Mr. MACDONALD: They would have to act in accordance with their statute.

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By Hon. Mr. Oliver:

Q. What do you mean by "liberally?" He has committed no offence.—A. If there is any possible doubt about it.

Q. About what?—A. About the origin of his disease or disablement.

Q. If there is any doubt?—A. He is given the benefit of the doubt.

Q. Why is there any doubt? (No answer.)

The CHAIRMAN: A case like this might occur. A man might be classed as physically fit, and a few months afterwards that man might develop tuberculosis. It might be that the seeds of tuberculosis were present at the time he was pronounced medically fit. In that case you give him the benefit of the doubt.

Hon. Mr. OLIVER: If that were ruled against, a man would have no protection whatever. If he falls out because of disease, he is simply at the mercy of the physicians.

The CHAIRMAN: There are many cases where men actually deceive the medical examiner. In many cases they do not answer the questions put correctly.

Mr. NICKLE: Here is a case in point: They do not make any examination, I believe, as to the impairment of the kidneys, that is by an examination of the urine. The man I speak of died, and it was asserted that he died from the excitement that resulted from the toxin administered to prevent typhoid. It was contended that the disease was incipient, and therefore that his claim was not entitled to any recognition. In this case there was a widow and three children, and nothing has been done for them.

Hon. Mr. OLIVER: When a man is accepted after a medical examination for the front he should not be held responsible or suffer because of any error on the part of examiners.

The CHAIRMAN: Unless he has made false statements.

Mr. GREEN: The fact that he has passed should be sufficient.

The CHAIRMAN: That should be *prima facie* evidence.

Mr. NICKLE: He has passed as physically fit for military duty, but he may not be fit in the sense that life insurance companies use that term. That is an anomaly.

Hon. Mr. OLIVER: I claim there should be no scrutiny whatever except as to the honesty of the representations made. I know a good deal about recruiting, and I know that men anxious to recruit a regiment have taken on everything simply for the purpose of getting up a regiment quickly. Then, having completed their regiments, they would simply throw men out. That is an outrageous procedure and should not be permitted; and if the Government wants to do business that way they should be responsible for it.

Mr. MACDONALD: Of course, there is the question about deception. I have an enthusiastic boy of seventeen years from my own county in mind. I saw him here the other day and asked him: "How did you get up here? You are too young." He replied: "Yes, but they do not know anything about that." This young man is crazy to go. Of course, there is a direct misrepresentation. But that should not militate against that boy.

Hon. Mr. OLIVER: That was a misrepresentation on his part, and he would be responsible for that. But where a man is suffering from some incipient disease which he knows nothing about, that man is not treated in good faith.

Mr. MACDONALD: I cannot find anything in these regulations dealing with such a case at all. The amount of pension is fixed without anything else.

Hon. Mr. OLIVER: The practice is entirely outside of the law.

Mr. MACDONALD: They are granted under the terms of this Order in Council?

Colonel DUNBAR: Yes, sir.

Mr. MACDONALD: Where do you get authority to go into questions as to whether or not a man's disability is due to some inherent defect?

Colonel BELTON: It may be inherent, and aggravated by his service.

Mr. MACDONALD: Where did you get the authority to deal with that case?

Colonel BELTON: From the first paragraph, disability on active service.

Mr. MACDONALD: The question is whether he is disabled on active service?

Colonel BELTON: Yes, and to what extent was it aggravated. That is established by the Medical Board.

Mr. MACDONALD: Then the Medical Board has the say?

Colonel BELTON: Yes.

Mr. MACDONALD: What do you say about the proposition that your regularly constituted medical authority has passed that man as being medically fit?

Colonel BELTON: I think the country will have to take the responsibility. The responsibility rests with the country then, if it has finally passed a man who is unfit. Some of them are not fit because there are latent defects that cannot be detected. In some cases they are taken on by misrepresentation.

Hon. Mr. OLIVER: Is there any written statement made for record in regard to his physical condition when a man is being examined when enlisting? Is there any record of what representations he made regarding his health?

Colonel BELTON: No.

Hon. Mr. OLIVER: Then he has no defence at all?

Mr. MACDONALD: You cannot prove any misrepresentation then.

Colonel BELTON: Unless it is such a disease as must have existed.

Mr. MACDONALD: Then your doctor should have discovered it.

Hon. Mr. OLIVER: That is absolutely the wrong way.

Mr. MACDONALD: There cannot be any misrepresentation because there is no record of what a man says. You cannot expect a doctor who examines a lot of recruits to remember every individual case.

The CHAIRMAN: You could never prove anything.

Hon. Mr. OLIVER: Men are then absolutely denied their pensions without any fault of their own, because of a disease that might possibly have existed in their system before they enlisted.

The CHAIRMAN: I think some one said that no examination was made of the kidneys of these men.

Mr. NICKLE: I said that.

The CHAIRMAN: There should be some examination.

Mr. NICKLE: There is no testing of the urine.

The CHAIRMAN: Not even to see if the man has diabetes?

Colonel BELTON: Such examination would take a tremendous amount of time, it would not work.

The CHAIRMAN: Do you say, colonel, that it takes a tremendous time? For an examination of that sort it takes a very short time.

Mr. NICKLE: It does not take three minutes.

Colonel BELTON: If you simply test for the presence of albumin it does not take much time. But, in practice, if the examiner had to wait for the man to urinate, and provide the necessary vessels, it would take a long time.

Mr. MACDONALD: Would you bring to the committee a copy of the instructions issued to medical officers, so that we may see what instructions are given them?

Colonel BELTON: All right, sir.

The CHAIRMAN: Please go on, Mr. Scammell.

The WITNESS: In the appointment of this Commission, a good deal of circumlocution which, according to the present Act is necessary, should be cut out.

By Mr. Macdonald:

Q. You are suggesting the appointment of a permanent board?—A. Yes, on the lines of the Railway Commission.

Q. Then you say circumlocution could be cut out?—A. Yes. For instance, at present the Pensions and Claims Board reports on matters to the Minister of Militia, who refers them to the Governor in Council, then they go before the Treasury Board, and, when approved go back to the Minister of Militia. This means an unnecessary delay. For instance, since I was here yesterday, I had a letter regarding a man whose pension was recommended by the Pensions and Claims Board on December 5. Up to yesterday, that pension had not gone through. There are a number of such cases. There need be no such delay.

By the Chairman:

Q. Has this man been getting his pay up to the present time?—A. No, sir. His pay stopped on the 31st of December.

Q. His pension will date back?—A. Yes, but in the meantime there is hardship, this particular man is living on charity.

Q. Is there any special circumstance that caused delay in that case?—A. I cannot tell you. I examined his file, and find that his recommendation had gone forward in the proper way, but had not beeen approved yet by the Treasury Board.

By Hon. Mr. Oliver:

Q. I was given to understand that the pay went on until the pension was awarded. That difficulty is got over by cutting off the pay and dating the pension back?—A. That is the way it is done.

The CHAIRMAN: He gets his pay to a certain date, and from that date his pension comes into force. But there seems to have been a delay. This man certainly should get something.

The WITNESS: I may say that I put a number of cases of this nature before Colonel Dunbar.

The CHAIRMAN: Colonel Dunbar, what is the delay in that matter? Is it at the Treasury Board?

Colonel DUNBAR: Either in the Minister's office or the Treasury Board, I would not say which. It was not in ours. I would like to say that quite recently Colonel Conger, who is Officer Paying Pensions, has been authorized to pay the first month's pension as soon as the Minister has approved of the Pension Board's recommendation.

The CHAIRMAN: Even before the Treasury Board does?

Colonel DUNBAR: Yes, and up to, but not exceeding, three months.

Mr. MACDONALD: *Prima facie*, once the identity of the man is established his pension ought to begin.

Colonel CONGER: There are several cases probably where a man's recommendation has not come before the Pensions Board, and it is found that his pension has to be ante-dated. One or two cases I have under consideration at the present time run back about eight months. Instead of getting three months' pension on the recommendation of the Minister, I have given eight months. We make three payments, at the present time, before waiting for the going through of the Order in Council.

Mr. MACDONALD: Is an Order in Council required for each individual case?

Colonel CONGER: An Order in Council has been going through for each case until

lately. But in the case of disabled soldiers we have been putting a good many names of the same class in the same Order in Council.

The CHAIRMAN: Please go on, Mr. Scammell.

The WITNESS: I want to suggest that this clause of the Australian Act shall also apply to Canada. The Australian Act reads:—

> "The provisions of this Act shall extend to the case of any soldier of the Imperial Reserve Forces called up for active service who at the commencement of the present state of war was *bona fide* resident in Australia, as if that soldier were a member of the forces as defined in this Act;
>
> "Provided that where the soldier or his dependents is or are entitled to any pension or compensation under any Imperial Act the rate or amount of that pension or compensation shall be taken into account in assessing the rate of pension payable under this Act:
>
> "Provided further that a pension shall not be payable under this section to any person who is not *bona fide* resident in Australia."

By the Chairman:

Q. Do you mean by that if a man was in Canada at the outbreak of the war, and enlisted in a British regiment outside of Canada, he should get a pension?—A. Yes, if he was a British reservist not entitled to enlist in a Canadian regiment, who had to return to a British regiment. The rate of pensions for the British regiments is much smaller than our rate of pensions.

Mr. NICKLE: Does he not get paid as a British reservist?

The CHAIRMAN: Yes, and here is a case that is somewhat analogous. There are numbers of Canadians who enlisted in Canadian regiments. After getting to Great Britain, for some reason or other, they asked for their discharge, and enlisted in a British regiment, went to the front with that regiment, and were injured. Then they come back and ask for the Canadian rate of pay, although they left the Canadian for the British service for reasons of their own.

Mr. MACDONELL: That was done in some cases to get more quickly to the front. They are serving the same King, and the same cause, and they should be treated on an equal footing.

Hon. Mr. OLIVER: If the Australian practice is followed these men enlisted as Canadian soldiers, they were Canadians, and they are entitled to Canadian consideration.

The CHAIRMAN: They left the Canadian forces.

Hon. Mr. OLIVER: But they enlisted as Canadians.

The CHAIRMAN: They left the Canadian service.

Mr. MACDONELL: It is all one service.

Mr. SCOTT: There will be the same justice in asking the British Government to make the same provision for a Canadian enlisted in the British force.

The CHAIRMAN: You may be sure they would not do that.

Mr. MACDONALD: The duty rests upon us to look after the men in our Canadian forces.

The CHAIRMAN: They absolutely leave our control when they go into the British army.

Mr. MACDONELL: We are only supplementing the Imperial pension. Surely they are fighting in the same cause.

The CHAIRMAN: We have a lot of young men who have commissions. Some of them have been taken from the ranks, and given commissions in the British army, and in that way they have improved their position. If they did not stay in our service, why should they not be paid by the service in which they go into?

Mr. MACDONELL: They enlisted with us.

The CHAIRMAN: But they left us.

Mr. MACDONALD: We cannot take the whole British army on our shoulders here.

The CHAIRMAN: In any event this is a question that can be taken up later.

The WITNESS: We are also finding employment for British soldiers just the same as for our own men.

The CHAIRMAN: Have you anything further to bring before us??

The WITNESS: I have a report here received by the Prime Minister some time ago from Dr. Adami on the Civil War pensions in the United States. I rang up Mr. Blount, the Prime Minister's secretary, this morning to know whether I might present this memo. to the committee. He said he saw no reason why I should not.

COLONEL BELTON: It is already in the blue book. (See p. 69, Sess. Papers 185.)

The CHAIRMAN: Is there anything further?

The WITNESS: Yes, sir. I have to read this resolution as passed by the National Council of Women, which has just come this morning through Mrs. Adam Shortt:—

> *"Resolved:* That the National Council of Women approach the Government and ask that when the Bill is drafted dealing with the pensions for the widows and dependents of our soldiers there shall be some guarantee given that no woman shall lose her pension except after due warning that she runs a risk of forfeiting it; followed by a conviction for some serious offence.
>
> "Further, where there are dependent children, even where a woman forfeits her pension, it shall remain in trust for the benefit of the children; and also that where the crime has been proved to be the result of feeble-mindedness the pension of the widow—even a childless one— shall be held in trust for her."

The CHAIRMAN: We will have that printed in the report.

Witness retired.

Col. J. S. DUNBAR called and examined.

By the Chairman:

Q. Colonel Dunbar, you are the Chairman of the Pensions Board?—A. I am, sir.
Q. And you are an official of the Militia Department?—A. I am, sir.
Q. And Assistant Adjutant-General —A. Yes, sir.

Q. Colonel Dunbar, Mr. Darling yesterday expressed his feeling in favour of abolishing the various degrees of pensions. Now, the first degree has reference to a pension to those who are rendered totally incapable of earning a livelihood as the result of wounds or injuries received or illness contracted in action, or in the presence of the enemy. The second degree applies to those rendered totally incapable of earning a living as a result of injuries or illness contracted on active service, during drill or training, or on other duty. Mr. Darling suggested that if a man was totally disabled in a camp or anywhere else, as well as on the field of battle, he was just as much entitled to his pension. Have you any views to express with regard to the necessity of maintaining these degrees?—A. The question is almost twofold. As to the abolition of the degrees, I think they should not only be retained but perhaps increased, as, for example, between the second and the first degree. A case in point would be a man reported by the Medical Board as having a three-quarters disability who would only be provided for by the 2nd degree pension.

Q. Why do you draw a distinction between those wounded in the face of the enemy and those wounded in camp?—A. My own personal opinion is that that should be done

away with, although I believe it is still in force in England. It is not the man's fault if the 30th Battalion to which he belongs is still kept at Salisbury Plain, instead of his having been taken over to France.

Q. Supposing in the course of his drill or training he is injured by being struck by a motor car?—A. He should get the same amount of pension.

Q. There is a distinction in the English list. Does it exist in the Australian?—A. I am not aware of it.

Q. You are opposed to that distinction between the first and second degree?—A. No, I think there should be first and second degrees, but not the wording "in the presence of the enemy."

Mr. MACDONELL: The distinction between the first and second degrees exists nowhere except in England.

By the Chairman:

Q. Is it the view of the Militia Department, or is it your view anyway, as you cannot speak for the department, that there should be no distinction in the case of the man disabled in battle and the case of the man disabled on military service no matter where received after enlistment?—A. That is my own opinion.

Q. There is another question I want to ask you. It has been urged that there should be no distinction in the amount of pension paid to the unmarried and the married soldier in cases of total disability. What is your view in regard to that?—A. I think that the married man should get some allowance for his wife and children.

Q. Leaving the children out of consideration for the present, you think there should be some allowance for a wife?—A. A man totally incapacitated—omit the wife if you like—treat the married man and the unmarried man in the same way as regards the amount that will be given both of them for the services of an attendant, so that if the married man's wife dies he can still have the same amount to hire attendance.

Q. A single man totally disabled should be allowed something for an attendant?—A. Yes.

Q. If a man is married, you think his wife should be allowed something during his lifetime?—A. Allowed the same amount as the single man.

By Mr. Green:

Q. You would put them on the same basis?—A. You would naturally have to increase the $7.33 a month.

By Mr. Macdonell:

Q. You would treat the married and single man alike.—A. Yes, provided you allow them something for the services of an attendant.

By Mr. Macdonald:

Q. You put them substantially on the same footing?—A. Provided that allowance is included.

Q. The only difference you draw between a single man and a married man is that the married man has the attendant because he has a wife, but he gets the extra pension. As a matter of fact, the married man always has the attendant when he has a wife.

Mr. GREEN: They would not allow a married man with a wife an attendant as well.

Mr. MACDONALD: The regulations do allow such.

By Mr. Macdonald:

Q. Under the rules, you can allow a married man who draws a pension for himself and wife, an allowance for attendance?—A. Yes.

Q. He can get an allowance for an attendant besides?—A. Yes.

Mr. MACDONALD: You cut out the wife. There should be an attendant in both cases, is that it?

Mr. MACDONELL: The married man who has a wife is not entitled to an attendant as well.

Mr. SCOTT: He is not according to the regulations.

Mr. MACDONALD: Certainly he is.

Mr. SCOTT: The man under total disability is allowed so much for an attendant.

Mr. MACDONALD: And the married man gets the attendant and the wife as well.

Hon. Mr. OLIVER: There is not a distinction made.

By Mr. Nickle:

Q. What do you mean by total disability, a man being incapable of looking after himself?—A. Practically.

Q. Does total disablement mean inability to earn a living and inability to look after himself, or both?—A. Both.

Hon. Mr. OLIVER: There should be a clause if a man was disabled but requires an attendant; and another clause for the man who is totally disabled from earning a living. There are two forms of disablement; they should have a different construction.

Mr. MACDONALD: Here is the regulation about the attendant, on p. 63. (reads):—

> "Where the injury is great enough to require the constant services of an attendant, such as the loss of both legs or both arms, or the loss of sight of both eyes, or where the use of both legs or both arms has been permanently lost, the rates shown in columns, first degree and second degree, may be increased one-third."

That is entirely apart from the question whether they are married or not. What you say about that, Colonel, where the man requires an attendant then the wife ought not to draw a pension, too?

The WITNESS: No.

The CHAIRMAN: The theory is that the wife will act as an attendant.

Mr. MACDONALD: As a matter of fact, she will.

By Mr. Green:

Q. I understood, Colonel, you thought the married man should have an allowance for the wife, and that the disabled unmarried man who requires attendance should be given an attendance allowance on a parity with that of the married man. You did not say a few minutes ago that the wife should not have any pension. Do you mean to say now your opinion is that the married man should have no allowance for the wife outside of the attendance?—A. I would say this, if the allowance given for the attendance were sufficiently large.

Q. There seems to be an allowance for attendance. What I want to know is whether you want to differentiate between the married and single man or would you put them both on the same basis? Would you allow the married man anything for his wife whether or not he needed attendance?—A. I do not think I would provide an allowance equalling $11 a month, but give both men the same adequate amount for the services of an attendant.

Q. You would put them both on the same basis?—A. Yes, considering more the service of the attendant than the wife.

By Mr. Macdonell:

Q. You would wipe out the distinction between the married and single man?—A. Yes.

Q. I understood the married man has a larger pension than the single man?—A. He draws $11 a month for his wife.

Q. The wife draws an allowance for herself?—A. The man draws his pension plus $11 a month for his wife.

The CHAIRMAN: He draws the same pension as a single man, but in addition the married man's wife draws $11 a month.

By Mr. Green:

Q. You thought the $11 a month should be cut off, but added to the single man's allowance as well?—A. I would treat them both alike, giving each an adequate amount for the services of an attendant, should one be required.

Mr. NICKLE: That is not fair, because the single man has no responsibility except himself. The married man is entitled to something more than that.

Mr. MACDONELL: He has a home.

Mr. NICKLE: He cannot keep a home unless he has sufficient to run it.

By the Chairman:

Q. Your idea is, Colonel, in the case of the married man, that his wife would be the attendant?—A. That is my idea.

Mr. MACDONALD: If you give both classes $50 a month, then you are satisfied they will not be in want.

Mr. NICKLE: He should get enough to keep his establishment up.

Mr. MACDONALD: Then it is a question of amount.

By Mr. Macdonell:

Q. Supposing a man single at the time of his injury, marries later on, does he get an additional pension?—A. No.

By the Chairman:

Q. Have you anything to suggest, Colonel Dunbar, yourself?—A. I would like to suggest, for Mr. Scammell's information, that cases such as he referred to in Manitoba would come under paragraph 597 on p. 64, which reads:—

"Individual cases for which the regulations do not provide or sufficiently provide, may be specially considered by the Governor in Council."

That would take in the case of the man of 78 years mentioned.

Q. In that case an application would have to be made to the Governor in Council?—A. Yes, for special consideration.

By Mr. Nickle:

Q. It is discretionary then?—A. Yes. What we require in such cases are affidavits or solemn declarations from responsible parties as to the circumstances of these old people.

By the Chairman:

Q. Has an application been made to your Board yet on their behalf?—A. I could not say, sir. When I heard from Mr. Scammell I wrote to them, sending the necessary forms, and telling them what procedure to take.

Q. You regarded Mr. Scammell's letter as an application?—A. Yes.

By Mr. Nickle:

Q. Does that regulation apply to the incapacitated father of an enlisted man?—A. Any case of dependent. We have several cases like that that we have written to on information secured from the Patriotic Fund officials and other similar organizations all over the country.

Q. As between the two systems of pensions—a certain allowance for a leg or an arm as on the other side—which do you think is the wiser?—A. I think the extract from Mr. Dobell's report, which Mr. Scammell read, covers the ground. I am almost

inclined to favour the United States way of an annual fixed amount for the loss of a leg or an arm. Then you would have to provide otherwise for disabilities arising from disease and illness. If, on the other hand, the present arrangement is continued, I certainly do think that the rates should be increased.

By the Chairman:

Q. All of the rates? How about the rates for officers?—A. Yes. If the rates for officers are not increased they should certainly not be reduced as proposed in Mr. Darling's report, and especially the rates in the totally incapacitated class. It has always seemed to me that $264 a year is too little. You engage a man at $1.10 a day. If he is totally disabled while in your service surely you ought at least to give him that same rate of $1.10 a day; but as it is now the rate is $264 a year.

By the Chairman:

Q. You think there should be a difference between the officers' rate and that of the rank and file in the amount of pension paid, even under conditions in this country? Take this case: Two brothers enlist, one is a commissioned officer, and the other in the ranks. If the commissioned officer is injured, he would receive more pension than his brother who is a private?—A. I would treat them according to their rank.

Q. If they were both married, and they are brothers occupying the same social station in life, you say that the widow of the one who is an officer should get larger pension than the widow of the one who is a private, although they are both accustomed to the same scale of living?—A. From the military point of view, we consider them according to their rank, and not according to their former civilian position in life.

Q. I can understand in the regular army distinctions being drawn. But you don't think there is a marked difference in the case of a volunteer army such as we are sending over?—A. No, sir. All should be paid and widows pensioned according to the rank held by their deceased husbands.

By Mr. Nickle:

Q. Do you think the fellows who jumped in at the beginning should not get as large a pension as the men who later on went as officers?—A. I do not see how you can distinguish.

Q. Why not?

Mr. MACDONELL: I do not think you should make them equal.

The CHAIRMAN: In the regular forces I can see why there should be the distinction, but it is a little more difficult to justify the case of a volunteer army. Volunteers are generally better educated, and often come from better social conditions than men in the regular forces. I wanted to get the opinion of military men about it.

By Mr. Macdonell:

Q. I understand that you have a comparative statement or table?—A. I have not a more recent one than appears in the blue-book.

Mr. MACDONELL: You compare Canada's scale with Australia, New Zealand, Great Britain and the United States.

Mr. MACDONALD: Mr. Darling has prepared a memo. of the comparisons that Mr. Macdonell speaks about, from his viewpoint. It is very comprehensive, and is the most easily comprehended analysis I have seen.

The CHAIRMAN: We will have this statement of Mr. Darling's printed as an exhibit. (See Exhibit 1.)

By Mr. Macdonell:

Q. Colonel Dunbar, what are the dates of the adoption of the pensions in the other countries you compared Canada with?—A. I am sorry I cannot say, sir.

Q. You cannot say whether they are old or modern pensions?—A. The scale was drawn up by Mr. Borden with a sub-committee of the Privy Council. If you ask Mr. Borden to attend, I am sure he will give you all the information.

Mr. MACDONELL: It is important to know if these are up-to-date, because conditions have changed so much.

Mr. MACDONALD: Yes, and the understanding of the situation.

By the Chairman:

Q. Is there anything further you want to say to us, Colonel?—A. I would like it made clear, perhaps, as to whether step-children, adopted children, and illegimate children are to be considered as coming in under that clause regarding special consideration?

Mr. MACDONELL: That problem will come up of step-children and illegitimate children.

Mr. NICKLE: Any man or woman living together as man and wife, and having children, there should be no distinction made.

By Mr. Nickle:

Q. Had you anything to do with the establishing of the rate per month per child?—A. Mr. Borden asked me what my opinion was, and I said, treat them all alike, and not decrease the amount allowed after the first child. If a woman is the mother of four children, I would rather encourage large families and allow them $5 a month for each child.

Q. How did you reach the conclusion that it was wise to stop the allowance at fifteen years of age?—A. I had nothing whatever to do with that.

Q. What is the idea of stopping at fifteen years?—A. My personal idea is that fifteen years is too young for a boy, and seventeen years too young for a girl.

Q. Who established that limit?

Mr. MACDONALD: Was it taken from other Acts?

The CHAIRMAN: In the English Act, the limit is two years younger.

The WITNESS: It used to be sixteen and eighteen.

Mr. NICKLE: Conditions in this country are different from those in England.

The CHAIRMAN: The theory would be that at fifteen a boy can earn his living.

Mr. NICKLE: This limit is going to deprive the children of this country of getting proper technical training. Do you see any objection to raising the age limit?

The WITNESS: I think the age is too young.

Colonel CONGER: Speaking of the rates for children, the present age limit for boys is fifteen, for girls seventeen. This was reduced from eighteen and sixteen, when the present pension changes were made to the Pay and Allowance Regulations. Yet under the Pensions Act of 1901, the ages are eighteen and twenty-one.

Mr. MACDONELL: They are getting it down, you say?

Mr. MACDONALD: What are the age limits in other countries?

Colonel CONGER: I could not say.

Mr. NICKLE: Experts tell me the effect is going to be that children will be driven out of school into industrial employment at a time when they should be in the schools taking advantage of technical education.

By Mr. Macdonell:

Q. Colonel Dunbar, do you express an opinion yourself as to the advisability of including step-children and the other classes you have mentioned in the pensions' benefit?—A. I think they should be included.

Mr. MACDONALD: Oh, yes. An adopted child is a child from a legal standpoint.

Mr. GREEN: It is a dependent.

Mr. MACDONALD: The test ought to be dependency to cover all classes of children.

By the Chairman:

Q. Have you any further remarks, Colonel?—A. I would like to say something with reference to a remark one of the members of the committee made yesterday with reference to influence being brought to bear upon the Pensions' Board. I think it is only fair to say that the present board has not been influenced, nor has any one attempted in one way or another, directly or indirectly, to influence any one of us, and that even if they did attempt it they would not succeed. We are trying to carry out our administrative duties impartially and according to the rates as laid down; and that if in a case where it has been reported either by the man himself, or by the Patriotic Fund officials, etc., that he does not consider he is receiving sufficient, another Medical Board is immediately ordered and description given of his previous illness or disablement, etc., certain questions to be answered, and his signature to be obtained to guard against personation. On receipt of that second medical report, in consultation with the medical members of the Board, Lieut. Colonel Belton and Lieut. Colonel Panet, we decide whether he has got better or worse. If he is getting worse a recommendation immediately goes in for a higher rate.

By the Chairman:

Q. Do you think it will be possible to continue to administer these pensions through a Board which is practically a sub-committee of the Department of Militia, or do you think it is desirable to have a permanent Board appointed outside the officers of the department?—A. I think you will always require certain officers of the department to carry on the administrative part of the work as at present, and secondly, that it might be advantageous to carry out the suggestions of Mr. Hogg, C.R., as published in this blue-book. His suggestion would relieve not only the Deputy Minister and the Minister, but the members of the Treasury Board as well, of a lot of work.

By Mr. Macdonell:

Q. What was that suggestion?—A. A commission composed of three or five members to meet once a week or oftener to whom the recommendations of the Militia Pensions' Board would go direct, and that the Commission would deal with them and its decision be final.

The CHAIRMAN: For many years to come there is going to be a great deal of work in connection with these pensions.

Mr. MACDONALD: Too much certainly to be added to a Department of the Government which has plenty to do to begin with.

Mr. GREEN: I do not think, Mr. Chairman, there was any remark made about influence that was intended to reflect on the members of the Pensions' Board. It was made on the question of getting our recommendation to the House so clearly that the law would be fixed, and the pensions would be given as a matter of course.

The CHAIRMAN: There is no reflection at all on the present Board, and there was none intended. There is nothing to show us anything other than that the members of this Board have been most efficient.

By Mr. Nickle:

Q. What time elapses before a man's case is put through who is reported missing?—A. After a lapse of six months, certain forms will be made out, and he will be declared officially dead.

Q. How long will his pay go on after he is reported missing?—A. His widow would go on a pension from the date he is missing.

Q. But there is a hiatus. For how long does she get a separation allowance?—A. Three months' separation allowance, and assigned pay together, then separation

allowance for another three months. Recently we have been authorized in the case of missing men, instead of waiting until the man has been officially declared dead, at the end of the 6 months the man has been missing, the Officer Paying Pensions can start paying her pension from the first of the fourth month.

Q. What has been the practice in the past?—A. To give six months' separation allowance, and three months' assigned pay. There was a delay waiting for these forms to have a man declared officially dead.

Q. How do you propose to meet the difficulty?—A. By starting her on a pension the first of the fourth month. If a man turns up, the Department is protected, because if you pay her pension you would only pay the difference of pay.

Q. She can get pay for three months, and then the pension starts?—A. Yes, assigned pay for the first three months and then pension, provided the man has been reported missing six months.

Q. That is a new regulation?—A. Yes, a new instruction. We now do not have to wait for the production of the forms, the completion of which causes delay after the six months the man has been missing.

By Mr. Macdonell:

Q. Who makes these regulations?—A. They are made by Order in Council.

By Mr. Nickle:

Q. On whose recommendation?—A. That of the Accountant and Paymaster General, Mr. Borden. I have another interim report with me of the work of the Board up to the 21st March, 1916, supplementing that which appears in the blue-book and produce it as an exhibit. (See Exhibit 2, pages 72-73.)

Witness retired.

Mr. MACDONALD: Mr. Darling desires to address the Committee further upon one or two points.

Mr. DARLING recalled and further examined.

Mr. DARLING: There are two points I want to get information upon. Mr. Æmelius Jarvis, of Toronto, has taken a good deal of interest in naval matters, as you know. He requested me to ask when I came before the Committee, what was being done in regard to naval pensions. I told him that personally I was quite ignorant of the matter.

The CHAIRMAN: The naval pensions are practically the same as the military pensions. They are administered in my Department through a Board consisting of the Director of Naval Service and the paymaster and some others.

Mr. DARLING: Then any information he desires in that regard he can get from your Department?

The CHAIRMAN: The officers of my Department will be happy to forward him full information.

Mr. DARLING: The other point relates to the pensions payable to officers or men going on overseas service from the permanent force. A great many of the young fellows in the force are in their second year. They were asked to volunteer for overseas work and most of them did so. It does not follow that these young men, although they are officers in the permanent force, will go permanently into that body when they return from the war. What I want to know is, do young men in this position come under the Pension Act that we have been discussing for the last couple of days?

APPENDIX No. 4

The CHAIRMAN: Perhaps Colonel Dunbar can answer that question. Do officers of the permanent force come under the scale of pensions that we have been discussing?

Colonel DUNBAR: Yes.

The CHAIRMAN: Colonel Belton, we will be very glad to hear you if you have anything to say to us.

Colonel BELTON: I thought I might give the Committee some information, if they would question me on the matter, as to our particular case and the interpretation we put on a number of these things. In the first place, the Act uses the expression "incapable of earning a livelihood." Now, what is a livelihood, in the opinion of this Committee? Is it what the man earned in his own particular occupation? We have to get some basis. The practice in the service has been to take the general labour market for unskilled labour as a basis. No matter what your occupation is, whether a lawyer, doctor, or whatever you may be, we size up your disability according to your ability to earn a livelihood in the unskilled labour market.

Mr. NICKLE: A lieutenant is twice as capable of earning a livelihood as a private?

Colonel BELTON: A disability might not affect the lawyer at all, for example. Now, if you figure the thing out, there is almost no other basis on which you can rest such payments at all. The man who lives by manual labour, of course, is handicapped. The educated man is in a better position, but we cannot do away with the handicap of the uninstructed and untrained man. So that usually the provision bears harder on the unskilled man.

By Mr. Green:

Q. In your opinion should we make a sliding scale and pay a little more?—A. No. Of course, it does not always work out that way, there are exceptions. A man formerly engaged in manual labour whose hearing has been materially affected might become a watchmaker, or a skilled worker to some extent, and get along just the same; but a barrister practising at the bar might have a great deal of difficulty in utilizing his earning power because of his hearing being affected. In the same way, a physician, with impaired hearing, could not use the stethoscope. At the same time I do not see any other basis upon which you can figure the matter out than the one I have described.

I disagree entirely with those gentlemen who advocate providing a certain pension for a certain disability such as the loss of a leg or an arm. That could be just as well arrived at by the system I am advocating, in fact it could be done much more efficiently. A man who has lost an arm does not suffer from that alone. Quite frequently he suffers from some other injury; not infrequently there is a diseased condition of the bone. In adopting the plan recommended by the gentlemen referred to, I see absolutely no advantage.

By the Chairman:

Q. Have you ever investigated the system followed in the United States?—A. No, sir. My impression of that plan is that it was simply a plan to push up the amount of pension. Mr. Scammell, in speaking about this matter said that a man who lost a leg was thrown off the pension list as soon as he got a good job and was making a good living. That is not the case at all. He has still the same disability, and in this connection I might quote two or three cases that happened to come along in the last day or two: One man, who was receiving a fourth degree pension, is re-examined, he has still the same disability, and it is recommended that the fourth degree pension should be continued for another term. He is a metal spinner by occupation, earning $10 a week. The next man was in the second degree. His disability continues, and he is still in the second degree. But he is in the customs service and earning $17.50 a week.

By the Chairman:

Q. Is he supposed to be totally disabled?—A. No. He is in the second class, "Materially disabled."

By Mr. Nickle:

Q. If he were in the class of totally disabled, he could do nothing?—A. No.

By the Chairman:

Q. How is he materially incapable of earning a livelihood if he is getting $17.50 a week?—A. He is still materially incapable of earning a livelihood in the ordinary labour market, sir.

Q. No, he is not. The ordinary labouring man would not earn anything like that. This man is getting $875 per year, which is far more than the ordinary labouring man would earn.—A. I am pointing out that if this customs clerk had to go out and make his living on the unskilled labour market, he is incapacitated to the extent of one-half. I know of no other way by which you can arrive at a proper basis.

By Mr. Nickle:

Q. I understand you to say that if a clerk enlisted and lost his leg on active service, he would get the same pension as a professional man who enlisted and suffered the same disability? Because the basis of compensation is the ability to earn a livelihood by manual labour?—A. Yes. If it were a professional man the system would be the same, because we cannot differentiate. We cannot take a man in the ranks who has been earning $10,000 a year at his civil occupation and say he is one-half incapacitated on that basis. Therefore the basis we take is the ability to earn a living in the market for unskilled labour.

Q. It works terribly to the disadvantage of the mechanic and the labourer.—A. As I said at the beginning, it is a handicap to have no education, and I absolutely agree with all these plans to educate a man and give him skilled training. I think it is much more important than giving him a pension.

By Mr. Scott:

Q. Then the handicap lies in the lack of education?—A. That is the point.

Q. But the same handicap existed before those men went to the war?—A. Yes, they were handicapped before they went to the war.

By Mr. Macdonell:

Q. Your pension is based, if I understand the system, upon the earning capacity of men in the unskilled labour market?—A. Just so. If the man is unfitted in the opinion of the Medical Board to the extent of one half, then we give him what we call a materially incapacitated pension.

Q. That is one half of what the labourer would get in the unskilled labour market?—A. Yes.

The CHAIRMAN: The hour is a quarter to one. How would it suit the Committee to adjourn until Tuesday morning at half-past ten.

Committee adjourned.

APPENDIX No. 4

(1)

EXHIBIT No. 1.

Submitted in connection with the Evidence of Mr. Frank Darling of Toronto.

The amount of pensions as now shown in the existing Act is too low, especially as regards the man rendered totally incapable from illness contracted, or injuries received while on service.

A totally incapacitated single man so injured that he is utterly incapable of earning a livelihood cannot possibly live on $3.70 per week, which is the lowest for a man in the "second degree," nor on $4.92 which is the highest. It is equally impossible on $5.07, the lowest in the "first degree" or on $6.77 which is the highest.

A married man equally wounded, with a wife and no children, is little, if at all, better off: $6.20 per week, the lowest amount in the "second degree" or $7.46 which is the highest: while the allowances even in the "first degree" do not much improve matters, the lowest being $7.61, the highest $9.31. There is, however, an allowance of $5 per month for each child (roughly $1.15 a week).

There is no use whatever in giving a totally incapacitated man a pension on which he is unable to live in ordinary decent comfort. Before enlisting it may be taken for granted that the vast majority were earning incomes sufficient to provide them with the ordinary necessities of life—why then should these same men returning to their homes, unable to pursue their former occupations owing to the injuries received while in the service of their country, be given incomes far less than they previously earned. It can be said without much fear of contradiction that the ordinary working man in this country should earn on the average $12.50 a week—the unskilled day labourer somewhat less, the skilled mechanic a great deal more. On this amount a man and his wife can have a house of their own and can live fairly comfortably, though certainly not extravagantly.

In civil life no difference is made between the wages paid to single and married men; they get the same amount of money for the same work. Why therefore should there be any difference made in the amount of their pension? A totally incapacitated man who has a wife would receive from her the care and attention for which an unmarried man would have to pay and which it would be impossible for him to get for the small amount of money he would be able to spare out of his $12.50. On anything less indeed than this amount it is difficult to see what the single man could do if he were without arms or legs, hopelessly crippled or paralysed. It would be impossible for him to get a boarding house keeper to lodge and feed him and give him the constant attendance which would be necessary for a man in his condition. Practically every boarding house to which he might apply would report they were full and had no room for him.

If, however, he were given the same income as the married man he might marry and set up a home of his own and be a better man and better citizen in consequence. When he died, of course, his widow would not be entitled to a pension nor would any children that happened to be born of the marriage. To reduce this $12.50 in the smallest degree would practctically condemn him to celibacy and a cheap boarding house for the rest of his natural life.

The pension which the country will provide for soldiers returning home wounded in the service of the Empire must be paid them not as a charity but as a debt honourably and heroically earned. The measure of its discharge therefore should be, not the least we can do, but the most we can afford.

It is somewhat difficult to understand the constant reference to, and comparison with, the pension allowance made by other countries, it sounds as though it was some defence, to urge that if our rates are low, theirs are lower. What has that to do with the case? The men whom our pension fund will succor have lived, and will live in Canada, not in New Zealand, Australia or England. Surely we are capable of settling for ourselves without reference to other countries what amount of money is

required to enable a man (unable to earn anything towards his own support) to live decently and in fair comfort without appealing to charity, which he would certainly have to do if he attempted to exist on the pension offered him by the present scale.

If $12.50 a week ($54 a month) was definitely settled as the standard of the earning power of the private soldier, the amount to be given to the higher ranks, and for injuries less than total disablement would be a simple matter of adjustment. As the rank rose the pension would increase, the upward curve of the increase from private soldier to Colonel rising steeply or kept flat as the Government might decide it was able to pay. For all injuries less than total disablement the amount of the pension would decrease in proportion.

If on a man's discharge from the army it was found that his earning power was unimpaired he would receive no pension at all; if on the contrary it was entirely destroyed he would get the whole amount. Between these two conditions the amount of pension to be paid would be based upon how much a man's earning power was reduced owing to his injuries. If, for instance, it had decreased 50 per cent he would get 50 per cent of the standard, if 75 per cent he would get 75 per cent of the standard, and so on in any ratio, each case being taken by itself and on its own merits. Such a system would tend to simplify the matter of review which is extremely important and must not be lost sight of under any circumstances.

In many cases, more especially those arising from operations after physical injuries, a man's earning power probably would at first seriously decrease, but if as time went on it showed a marked improvement his pension allowance might be proportionately decreased; the standard of his earning power being entirely restored his pension could cease altogether. In other cases it would be the reverse, more particularly in medical cases where invalidism is apt to ensue. At first the man's earning power would probably not be seriously interfered with, but as time went on would lessen more and more, and his pension consequently increase from year to year until he reached the totally incapacitated stage and be entitled to the full amount.

It is, however, a moot point whether it is wise to discontinue a pension once it is granted, for when a man discovers that the more efficient workman he becomes, the greater becomes the danger of having his pension reduced or of losing it altogether, he is very apt to slacken his efforts towards self-support.

The question, however, of increasing the amount of pensions to men whose health degenerates steadily from year to year will always demand careful consideration.

It cannot be insisted upon too strongly that putting returned wounded men into such condition that they can earn a satisfactory living for themselves is of far greater importance than paying them money. Nothing is worse for a man than giving him a pension. He tries in time to live upon it, looking upon it as an income rather than merely as an assistance to make up for the inefficiency in his earning power, caused by his injuries. The less a man depends upon monetary assistance from any source and the more he is forced to rely upon his own efforts, the better man and better citizen he becomes. There are institutions and appliances in many of the larger cities of Canada by which men, debarred from pursuing their original occupations, can be taught an entirely new trade by which, when they become proficient, they can earn as much as they formerly did by their old ones. Every possible advantage should be taken of these institutions. The man, however, must be taught a real trade and taught it thoroughly, not merely a smattering of one. While he is being so taught he should be in uniform, kept upon the strength, and subject to military discipline, his wife and family meanwhile being supported by the Government in the same way as they were while he was on active service. If while being taught he is lazy, shiftless, of bad habits, making no real effort to benefit by the opportunities placed at his disposal, he could be reported to the military authorities to be dealt with by them as they thought fit.

[Mr. Darling.]

APPENDIX No. 4

The initial cost would probably in the individual case be greater, but there should be eventually a considerable saving, while the results both to the man himself and to the country would be of incalculable value. Instead of a disappointed man loafing about disgruntled, dissatisfied and eking out a miserable existence on a very insufficient income, gradually becoming an incapable and dragging his family down with him, a nuisance to himself and a burden to the community, there would be found a man conscious of his ability to earn his own living, independent of all assistance, monetary or otherwise, retaining his self respect, and a contented citizen satisfied in the belief that he has done his duty by his country and that his country has done the same by him.

FRANK DARLING.

TORONTO, 2 Leader Lane.
March 17, 1916.

PENSION SCALES for Men Totally Incapacitated and unable to earn a livelihood.

Suggested New Scale.		$ 1.77	$ 12.46	$ 54.00	$ 648.00	No difference—Single or Married.
		Day.	Week.	Month.	Year.	
American		$ 3.28	$ 23.04	$ 100.00	$1,200.00	
English, single		.87	6.15	26.65	319.90	
Australian, married		.69	4.86	21.08	253.00	
		1.04	7.29	31.62	379 44	
Canadian, single men	II Degree.	.52	3.70	16.00	192.00	
		.70	4.92	21.33	256.00	$5.33 per month for special attendant.
	I Degree.	.72	5.07	22.00	264.00	
		.96	6.77	29.33	352.00	$7.33 per month for special attendant.
Canadian, married men, no children	II Degree.	.88	6.20	27.00	324.00	
		1.06	7.46	32.33	388.00	$5.33 per month for special attendant.
	I Degree.	1.08	7.61	33.00	396.00	
		1.32	9.31	40.33	484.00	$7.33 per month for special attendant.

$5 per month is allowed for each child—($1.15 per week.

Canadian Allowance.	Day.	Week.	Month.	Year.	——
For single man in *Training*	$ 1.70	$ 11.93	$ 51.70	$ 620.00	With all clothing found.
Single man *at the Front*	1.10	7.72	33.45	401.40	With *everything* found for him.
Married man *Training*, living at home	1.95	13.68	59.29	711.75	With all clothing found.
Married man *Training*, *not* living at home	2.35	16.49	71.46	857.75	With all clothing found.
Married man at *the Front* gets in cash	.60	4.25	18.45	221.40	With everything found.
Deducted from man's pay	.49	3.46	15.00	180.00	
Separate allowance	.65	4.61	20.00	240.00	
Grant from Patriotic Fund	.16	1.15	5.00	60.00	
Total for wife	1.30	9.23	40.00	480.00	For *her* own exclusive use.
Add husband's	.60	4.25	18.45	221.40	For *his* use as pocket money.
Total for both in cash	1.92	13.48	58.45	701.40	All food, clothing and other expenses being found for the man while away on active service.

(2) EXHIBIT No. 2.

Submitted in connection with the Evidence of Colonel J. S. Dunbar of the Pensions and Claims Board of the Department of Militia and Defence.

OF THE PENSIONS AND CLAIMS BOARD WITH STATISTICAL STATEMENTS, TO THE 21ST MARCH, 1916.

The statistics contained in and attached to the Interim Report of the Pensions and Claims Board, dated the 1st March, 1916, were compiled up to and including the 29th February, 1916. The following particulars and the statements annexed hereto furnish statistical information in connection with the work of the board up to the 21st March, 1916.

2. Number of recommendations for pension in connection with the European War submitted for the favourable consideration of the Honourable the Minister of Militia and Defence and transmission by him to the Treasury Board, 2121.

3. Amount of pensions in connection with the European War authorized by His Royal Highness the Governor General in Council to be paid for one year:—

Widows, widowed mothers, and other dependents	$296,859 00
Officers, Warrant officers, N.C.O.'s and men	170,115 00
Grand total	$466,974 00

4. Actual number of pensioners in receipt of pension to date:—

Pensoners, 1866	10
" 1885 and general	111
" with the Act of 1901	134
" European War	2,550
Total	2,805

5. Number of applications refused, disability not being due to service, unworthiness, etc., 147.

6. Number of pensions cancelled, 46.

J. S. DUNBAR, *Colonel,*
President, Pensions and Claims Board.

MILITIA HEADQUARTERS,
OTTAWA, 21st March, 1916.

RETURN OF PENSIONERS.—Canadian Overseas Units and Units of the Active Militia on Active Service, recommended by the Pensions and Claims Board, to March 21, 1916, some of which have not yet been approved by His Royal Highness The Governor General in Council.

DISABILITIES.		DEGREE OF PENSIONS AWARDED.	
From wounds	703	First degree	65
From accidents	120	Second degree	423
From diseases	556	Third degree	600
		Fourth degree	290
	1,379	Special	1
			1,379

DEATHS.		BENEFICIARIES.	
From wounds	570	Widows	612
From accidents	32	Children	1,073
From diseases	140	Mothers	107
		Others	49

Total disabilities	1,379	
Total deaths	742	
Total number of cases recommended		2,121
Total number of disabled pensioners		1,379
Total number of beneficiary pensioners		1,841

[Col. Belton.]

APPENDIX No. 4

If all the recommendations of the board made up to date are approved, the grand total of European War pensioners will be 3,220.

STATISTICAL STATEMENT of Pensions on Payment.—Canadian Pensions—European War—Recapitulation.

Pensions paid to disabled soldiers and their dependents	1,097
Pensions paid to dependents of deceased soldiers	1,453
Grand total of pensioners in receipt of pension	2,550

Applications for pensions *refused* for following reasons:—

(*a*) Disability not due to service; (*b*) unworthiness; and (*c*) not provided for by regulations, 147.

CANADIAN PENSIONS—*European War—being paid to Disabled Soldiers.*

			Wives and Children.	Total Pensioners.
First degree	41			
Second degree	340			
Third degree	453			
Fourth degree	213			
		1,047		
Wives	30			
Children	53			
			83	
Total		1,047	83	1,130
Cancellations—				
Deaths	5			
Re-enlisted	17			
Medically fit	3			
German sympathizer, later interned Fort Henry, Kingston, Ontario	1			
To go back on pay	1			
		27		
Wives	2			
Children	4			
			6	33
Total		1,020	77	1,097

CANADIAN PENSIONS—*European War—being paid to Deceased Soldiers' Dependents.*

		Children.	Total. Pensioners.
Widowed mothers		56	
Mothers		21	
Fathers		1	
Sisters		2	
Brothers		1	
Other dependents (step children, etc.)		8	
Orphan children		31	
Widows		524	
Children			848
Total		644	848	1,492
Cancellations—			
Widowed mothers (death)	1		
Widows (death)	1		
" (receiving Imperial pension)	1		
" (not deceased soldier's wife)	2		
(not legal wife)	1		
" (unworthy)	2		
" (husband not dead)	1		
" (re-married)	10		
		19	
Children			20	39
Total		625	828	1,453

HOUSE OF COMMONS,
COMMITTEE ROOM No. 69,
TUESDAY, March 28, 1916.

The Committee met at 10.30 o'clock a.m., the Chairman, Hon. Mr. Hazen, presiding.

The CHAIRMAN: Mr. Jarvis, Assistant Deputy Minister of the Department of Militia and Defence, was asked to furnish us with a statement regarding French and American pensions. This is the statement which has been handed in. (Exhibiting statement.) Mr. Jarvis says in his accompanying letter that he could get no information as regards the French pensions, and has even been unable to obtain it from the Parliamentary Library. He attaches, however, a statement with regard to American pensions:—

DEPARTMENT OF MILITIA AND DEFENCE,
OTTAWA, CANADA, March 27, 1916.

(3)

DEAR SIR,—At the meeting of the Special Committee on Pensions to Disabled Soldiers, held on the 23rd instant, I was instructed to have prepared:

(1) A statement of the rates of pensions paid in France as compared with the Canadian rates;

(2) The method of administration of pension work in the United States, with a statement of pensions paid in comparison with Canadian, with any important information available on the subject.

As regards the former, I regret to say that we have no information in the department, nor have I been able to obtain it from the Parliamentary Library.

With reference to (2), I forward herewith a statement which I have had prepared. It is obtained from "Laws of the United States governing the granting of Army and Navy Pensions together with the Regulations relating thereto," issued in 1913.

It would be very difficult indeed to make a comparison between the rates paid in the United States and Canada, the two scales are so entirely different, and therefore I have not attempted to make one. The Canadian rates are in the blue book recently issued entitled "Pensions granted and Money Allowances made to Members of the Canadian Expeditionary Forces since the beginning of the War."

Yours very truly,

E. F. JARVIS,
Asst. D. M. M. & D.

V. CLOUTIER, Esq.,
Clerk of the Committee on Pensions to Disabled Soldiers,
House of Commons, Ottawa, Ont.

APPENDIX No. 4

UNITED STATES PENSIONS.

PENSION BUREAU.

The Secretary of the Interior is the head of the United States Pensions Administration; that is to say, he is charged with the supervision of Pensions and Bounty Lands.

Under him are a Commissioner of Pensions and two Deputy Commissioners, all appointed by the president with the consent of the Senate. Also, there is a large staff of examiners, clerks, messengers, etc.

The law provides for applications by claimants, and for the appointment of agents or attorneys to act for claimants; and for the examination of claimants by boards of surgeons; empowers the Secretary of the Interior to make regulations respecting the proof necessary to establish a claim; and virtually clothes the Secretary of the Interior with the power to grant pensions to such classes of persons as are mentioned in the statute, that is, empowers him to place names on the pension roll, and also to strike names therefrom when there is evidence of fraud.

As respects the rates of United States Pensions in comparison with those of Canada, there are annexed hereto four tables of United States rates, which may be compared with those contained in the Dominion Blue Book on the subject of pensions.

TABLE I.—For simple total (disability equivalent to the anchylosis of a wrist) provided by section 4695, Revised Statutes, United States.

	Per month.
ARMY.	
Lieutenant-colonel and all officers of higher rank	$ 30 00
Major, surgeon and paymaster	20 00
Captain, provost-marshall and chaplain	20 00
First lieutenant, assistant surgeon, deputy provost-marshall and quartermaster	17 00
Second lieutenant and enrolling officer	15 00
All inlisted men	8 00
NAVY AND MARINE CORPS.	
Captain, and all officers of higher rank, commander, lieutenant-commanding, and master commanding, surgeon, paymaster, and chief engineer ranking with commander by law, lieutenant-colonel, and all of higher rank in Marine Corps	30 00
Lieutenant, passed assistant surgeon, paymaster, and chief engineer ranking with lieutenant by law, and major in Marine Corps	25 00
Master (now lieutenant), professor of mathematics, assistant surgeon, assistant paymaster and chaplain, and captain in Marine Corps	20 00
First lieutenant in Marine Corps	17 00
First assistant engineer, ensign, and pilot, and second lieutenant in Marine Corps	15 00
Cadet midshipman, passed midshipmen, midshipmen (now ensigns), clerks of admirals, of paymasters, and of officers commanding vessels, second and third assistant engineers, master's mate, and warrant officers	10 00
All inlisted men, except warrant officers	8 00

TABLE II—Permanent Specific Disabilities.

Disabilities.	From July 4, 1864.	From March 3, 1865.	From June 6, 1866.	From June 4, 1872.	From June 4, 1874.	From Feb. 28, 1877.	From June 17, 1878.	From March 3, 1879.	From March 3, 1883.	From March 3, 1885.	From Aug. 4, 1886.	From Aug. 27, 1888.	From Feb. 12, 1889.	From March 4, 1890.	From July 14, 1892.	From Jan. 15, 1903.	From March 2, 1903.	From April 8, 1904.
	$ c.	$ c.	$ c.	$ c.	$ c.	$ c.	$ c.	$ c.	$ c.	$ c.	$ c.	$ c.	$ c.	$ c.	$ c.	$ c.	$ c.	$ c.
Loss of both hands	25 00			31 25	50 00		72 00						100 00					
Loss of both feet	20 00			31 25	50 00		72 00										100 00	
Loss of sight of both eyes	25 00			31 25	50 00		72 00											100 00
Loss of sight of one eye, the sight of the other having been lost before enlistment			25 00	31 25	50 00		72 00											100 00
Loss of one hand and one foot		20 00		24 00		36 00											60 00	
Loss of a hand or a foot			15 00	18 00					24 00		30 00						40 00	
Loss of an arm at or above the elbow or a leg at or above the knee			15 00	18 00	24 00				30 00		36 00						46 00	
Loss of either a leg at the hip joint or an arm at the shoulder joint or so near as to prevent the use of an artificial limb											45 00						55 00	
Loss of leg at hip joint			15 00	24 00				37 50			45 00						55 00	
Loss of an arm at shoulder joint			15 00	18 00	24 00					37 50	45 00						55 00	
Total disability in both hands			25 00	31 25														
Total disability in both feet			20 00	31 25														
Total disability in one hand and one foot			20 00	24 00		36 00											60 00	
Total disability in one hand or one foot			15 00	18 00					24 00		30 00						40 00	
Total disability in arm or leg			15 00	18 00					24 00		36 00						46 00	
Disability equivalent to the loss of a hand or a foot (third grade)			15 00	18 00					24 00									
Incapacity to perform manual labour (second grade)			20 00	24 00					30 00									
Regular aid and attendance (first grade) [1]			25 00	31 25	50 00		72 00							72 00				
Frequent and periodical, not constant, aid and attendance (intermediate grade)															50 00			
Total deafness				13 00								30 00				40 00		

[1] Seventy-two dollars from June 17, 1878, only where the rate $50.00 under act of June 18, 1874, and granted to date prior to June 16, 1880. First grade proper is $50.00, amended by act March 4, 1890, which increases rate to $72.00.

APPENDIX No. 4

TABLE III.—Rates fixed by the Commissioner of Pensions for certain disabilities not specified by law.

	Per month.
Anchylosis of shoulder	$ 12 00
Anchylosis of elbow	10 00
Anchylosis of knee	10 00
Anchylosis of ankle	8 00
Anchylosis of wrist	8 00
Loss of sight of one eye	12 00
Loss of one eye	17 00
Nearly total deafness of one ear	6 00
Total deafness of one ear	10 00
Slight deafness of both ears	6 00
Severe deafness of one ear and slight of the other	10 00
Nearly total deafness of one ear and slight of the other	15 00
Total deafness of one ear and slight of the other	20 00
Severe deafness of both ears	22 00
Total deafness of one ear and severe of the other	25 00
Deafness of both ears existing in a degree nearly total	27 00
Loss of palm of hand and all the fingers, the thumb remaining	17 00
Loss of thumb, index, middle and right fingers	17 00
Loss of thumb, index, and middle fingers	16 00
Loss of thumb and index finger	12 00
Loss of thumb and little finger	10 00
Loss of thumb, index, and little fingers	16 00
Loss of thumb	8 00
Loss of thumb and metecarpal bone	12 00
Loss of all the fingers, thumb and palm remaining	16 00
Loss of index, middle, and ring fingers	16 00
Loss of middle, ring and little fingers	14 00
Loss of index and middle fingers	8 00
Loss of little and middle fingers	8 00
Loss of little and ring fingers	6 00
Loss of ring and middle fingers	6 00
Loss of index and middle fingers	6 00
Loss of index finger	4 00
Loss of any other finger without complications	2 00
Loss of all the toes of one foot	10 00
Loss of great, second and third toes	8 00
Loss of great toe and metatarsal	8 00
Loss of great and second toes	8 00
Loss of great toe	6 00
Loss of any other toe and metatarsal	6 00
Loss of any other toe	2 00
Chopart's amputation of foot, with good results	14 00
Pirogoc's modification of Syme's	17 00
Small varicocele	2 00
Well-marked varicocele	4 00
Inguinal hernia, which passes through external ring	10 00
Inguinal hernia, which does not pass through the external ring	6 00
Double inguinal hernia, each of which passes through the external ring	14 00
Double inguinal hernia, one of which passes through the external ring and other does not	12 00
Double inguinal hernia, neither of which passes through the external ring	8 00
Femoral hernia	10 00

TABLE IV.—Miscellaneous Rates.

INVALID.

Indian wars—	
Acts July 27, 1892, June 27, 1902, and May 30, 1908	$ 8 00
Mexican war—	
Act January 27, 1887	8 00
Acts January 5, 1893, and April 23, 1900, certain survivors	12 00
Act March 3, 1903, all survivors	12 00
Act February 6, 1907—	
At 62 years	12 00
At 70 years	15 00
At 75 years or over	20 00
Civil war—	
Act, January 27, 1890, in its original form, and also as amended by the Act of May 9, 1900	6 00, 12 00

	Per month.
Act February 6, 1907—	
At 62 years	$ 12 00
At 70 years	15 00
At 75 years or over	20 00
Army nurses—	
Act August 5, 1892	12 00
Sec. 4756, R.S., for 20 years service, one-half the pay of rating at discharge.	
Sec. 4757, R.S., for 10 years service, not to exceed the rate for total disability.	

WIDOWS AND MINORS.

Revolutionary war—	
Act March 9, 1878, widows only	8 00
Act March 19, 1886, widows only	12 00
War of 1812—	
Act March 9, 1878, widows only	8 00
Act March 19, 1886, widows only	12 00
Indians wars—	
Acts July 27, 1892, June 27, 1902, and May 30, 1908, widows only	8 00
Act April 19, 1908, Sec. 1, widows only	12 00
Mexican war—	
Act January 29, 1887, widows only	8 00
Act April 19, 1908, Sec. 1, widows only	12 00
Civil war—	
Sec. 4702, R.S., widows and minors, same rate as in Table I.	
Act March 19, 1886, widows and minors	12 00
Act June 27, 1890, in its original form, and as amended by the Act of May 9, 1900	8 00
Act April 9, 1908	12 00

From and after July 25, 1886, a widow is entitled, under the provisions of section 4703, Revised Statutes, to the sum of $2 per month additional on account of each legitimate minor child of the deceased soldier or sailor, in her care and custody, until such child reaches the age of 16 years. Where the widow has died, remarried, or has no title, the minor children under 16 years of age succeed to the widow's rights.

In claims under the Act of June 27, 1890, both in its original and amended form, the additional pension of $2 per month is granted. In addition provision is made in said Act for the continuance of pension granted to an insane, idiotic, or otherwise physically or mentally helpless minor child, during its life or during the period of disability. The proviso is applicable to minors claims under any statute.

DEPENDENT RELATIVES.

Sec. 4707, R.S., in its original form, and as amended by section 1, Act June 27, 1890, same rates as in Table I.

Act March 19, 1886, $12.

The examination of Colonel BELTON resumed.

By the Chairman:

Q. You were making a statement to us when we adjourned at our last sitting. Have you any further information to present to us as to points you have thought over since you were last under examination?—A. What I said at the last sitting was along the lines of informing the Committee as to how the Pensions Board interpreted the present Act. I thought that would certainly be some guide to the Committee in the making of any changes that were contemplated. The question of earning a livelihood had been spoken of, and I had pointed out that it was on a basis of earning a livelihood in the unskilled labour market; not at the particular trade or calling of the pensioner, but as an unskilled labourer.

APPENDIX No. 4

By Mr. Nesbitt:

Q. That is, you fix your pension on the basis that the man can earn something? —A. That he was incapacitated to the extent of a certain fraction in earning a full livelihood in the ordinary labour market. And I pointed out that that might mean that some people would be pensioned who were not really affected regarding their own calling at all, or only in a slight degree; but I knew of no other plan by which you could arrive at the thing exactly.

By Mr. Nickle:

Q. Does not the other condition also apply, that some might get a little pension who might be greatly affected in regard to their own calling?—A. Yes, that might be so, too.

Q. Take the instance of a watchmaker, the drums of whose ears were affected so that he became deaf. He might be physically able to earn his living by manual labour, but would be thoroughly incapacitated from carrying out his original craft. He would get very little pension.—A. At the same time, while able to do any sort of gross movement with his hands, he might have lost delicacy of touch.

Mr. NICKLE: He might lose a leg, but that would not interfere with his being a watchmaker.

Mr. GREEN: Would the loss of his hearing interfere with that calling?

Mr. NICKLE: I am assuming it would.

By the Chairman:

Q. You have had your attention directed to the course of this present inquiry, have you not?—A. Yes.

Q. You have noticed that the first degree gives a certain annual sum to those who are totally disabled in consequence of wounds received in the presence of the enemy?—A Yes.

Q. And the second degree gives a pension of a lesser amount to those totally disabled, or whose disabilities have occurred in consequence of wounds received in the presence of the enemy, or of illness contracted on active service. What is your opinion with regard to that division? Do you think that there should be a division at all?—A. I think not, sir.

Q. You think a man injured in camp is just as much entitled to the same amount of pension as a man injured in actual warfare?—A. Yes sir, the result being the same.

Mr. NESBITT: Colonel Ward said this was applicable to the militia.

The CHAIRMAN: The pension scale, laid on the table of the House, I think, makes a distinction in the first and second degrees.

The WITNESS: It applies to the militia at all times.

By Mr. Nesbitt:

Q. The first degree would not apply then at all?—A. No.

By the Chairman:

Q. What is your opinion of a pension to the soldier who is unmarried? Do you think he should have as much as the soldier with a wife?—A. No sir, I think not.

By Mr. Nesbitt:

Q. Why not? You must have a reason for your opinion.—A. Because he has a wife to keep, his wife depends on him, and he has larger responsibilities.

Q. It just depends on whether his wife is capable of assisting him to make a living or not. The unmarried man totally disabled will have to engage somebody to look after him; and he could marry the attendant, and very likely that method would be much

cheaper than having to pay her.—A. That is another matter where it comes into a question of having some assistance. However, I can say we have very few of that class at present. I would also like to point out, when you are thinking of increasing that pension, that only five per cent of the whole number at present are in that class.

By the Chairman:

Q. Which class?—A. The totally disabled class, that degree.

By Hon. Mr. Oliver:

Q. Requiring an attendant?—A. No, just totally disabled. And it is going to decrease, because a good many of these men are not finally placed. They may in the course of a year pass into the next scale, and many of the others will die.

Q. You are administering the law as it stands, are you not?—A. I am advising the committee with regard to the medical board and their action.

Q. What is your definition of total disability?—A. We take that largely upon the report of the medical board who see him and examine the man.

By Mr. Nesbitt:

Q. You do not see the man himself?—A. No.

By Hon. Mr. Oliver:

Q. What constitutes total disability?—A. Inability to earn a livelihood to any extent.

Q. By manual labour?—A. Yes.

Q. Would the loss of an arm be total disability?—A. No, not total.

Q. Would losing, say both feet; the losing of one, I suppose, would not be considered total?—A. No.

Q. But the loss of both would be??—A. Not necessarily, no.

Q. Would the loss of both hands constitute total disability?—A. That is coming pretty close to it. Now just along that line I would like to say in regard to the different pension degrees that there is too large a space between what we call the third degree, slight disability, and complete incapacity. That is reached only by one which is called "material incapacity." You have so many cases with so wide a range coming under that classification, you may have cases which while not absolutely completely incapacitated are materially so, and then again there are those of much less degree, all of which have to go into that one class, consequently under the class of "material incapacity" we have, of necessity to include men who should properly go in an intermediary class.

Q. If you did not consider a man with both hands off totally incapacitated, I should say your percentage of total disability cases would be small.—A. Practically you have to go into that class, and probably a medical board would begin to cut pretty close to complete incapacity.

Q. Will you give us instances where that has been done?—A. I know of no such cases.

Q. Then will you give us instances where the man has been judged totally incapacitated?—A. Yes, we have cases of disease of the heart, which a man is found to have, and which he cannot get over. We know of one man, who I think of now, and who has a large portion of the frontal bone cut away so that when he leans his head forward his brains drop out into his hand, and in that case we considered the loss of memory and the nervous condition, and all the rest of it. Then there are quite a number of cases which will get better, those are cases arising from the effects of shells, the concussion of shells, where the men are all of a tremor, the whole body is in a trembling condition, and this condition may last for a considerable time, the men are for the time being completely broken down.

APPENDIX No. 4

By Hon. Mr. Lemieux:

Q. When a man comes back from the front and falls, say, in the third degree of "slightly injured" but, instead of getting better his state of health is more and more impaired, what is the process by which the board will deal with this man's case? Will they follow this man who might, after a certain time fall into the first degree, and deal with him accordingly?—A. Yes, in all cases up to the present we desire re-examination at the end of the year; and in a good many cases we require a medical examination at the end of six months, wherever there seems to be a possibility of a more material incapacity, or where there may be less material incapacity. In the case you speak of, supposing a man becomes materially worse within a year that would have to depend upon him or his friends bringing his case before the board, and we would ask him for the certificate of a reputable surgeon, that he was materially worse and then have a Medical Board examine the case and the Pensions Board award to him such pension as would be adequate.

By Mr. Nesbitt:

Q. You say you would have that Medical Board examine him personally?—A. Yes.

Q. You said a few minutes ago you would not consider a man with both feet off totally incapacitated. In such case as that what could a man do?—A. I think in almost all cases we have had such a man would go in the "total disability" class for at least six months or a year, and in the meantime it would be learned what vocation would be open to him or what could be done for him.

By Mr. Nickle:

Q. When you do that do you not think you are changing the whole standard?—A. I am quite aware that seems inconsistent but in hardly any case can you lay down at once positively inside of a year what the permanent condition will be.

Q. He is still unable to earn his livelihood by virtue of manual labour, now, if you give him vocational training he is in no better condition to earn his living by manual labour, I think, although he may be able to do so by another method of labour?—A. That is quite so.

Q. Do you take that into consideration? To be specific, supposing a man comes back with both legs off and the doctor says he has got vocational training, would you, at the end of the year, give him any less pension because he has an artificial limb?—A. No, if the Medical Board reported that he was able to earn something in the ordinary labour market that would be taken into consideration.

Q. But that would not be in the ordinary labour market?—A. No, but he might still have acquired the ability to earn something at unskilled labour.

Q. Do you not think that is going to have a tendency to make these men, if you take into consideration the fact that they are able to earn money, become idlers on the community?—A. The fact that the pensioner earns a larger amount at some skilled work will not affect his pension. That is affected only by increased ability to earn in the general unskilled market.

Q. You would not take earnings at skilled work into consideration in those cases?—A. No. We have to have some basis upon which to work and I do not see any better basis than what we have.

By Mr. Nesbitt:

Q. Do you really believe in review by the Pension Board?—A. Yes, not by the Pension Board alone, but by the Medical Board. I think that for several years there should be examination. There should be some provision for examination and review until the permanent condition of the man is determined.

By Hon. Mr. Lemieux:

Q. You do not make any class distinctions, they are all classed alike before the board.

Mr. NICKLE: He is speaking of privates now.

Hon. Mr. Lemieux:

Q. Take for instance, now, the case of a lawyer three or four years at the bar who enlists and becomes a private or a lieutenant and who returns with no visible wounds but, as a result of the terriffic shelling to which he is subjected, becomes deaf, or he becomes dumb. And while you might say he is pretty much disabled as a lawyer because he cannot speak or cannot hear yet still he may give opinions, he may write opinions. We know of a case where Sir Allen Aylesworth is very deaf but he is a man who many counsel would consult for an opinion. For such a man a nervous breakdown would be very serious. Here is a man without any visible wound and yet completely disabled so far as his profession is concerned. Would you not say that he should get a fairly good pension? Would you consider in determining the amount of the pension to be granted in such a case the fact that although this man was broken down as a lawyer, he might be trained to some manual work by which he might earn something?—A. He would be considered simply from the standpoint of his inability to go on and earn a livelihood in the ordinary labour market. That is the only way we can deal with it; otherwise so many difficulties would present themselves that I do not see how you could deal with the case differently. If you took the amount of his earnings in his ordinary occupation it would be a tremendous task and then you could not get a man to measure his loss according to this pension scale anyway.

By Mr. Nickle:

Q. But it seems a hardship that a man who has a vocational or professional training and is severely injured in respect to that should get no pension because he is not physically impaired from earning his living as a manual labourer.—A. Well, there are not many such cases as that.

By the Chairman:

Q. In nearly every case if the wound be only slight it would, I suppose, no matter how slight, affect or impair his efficiency as a manual labourer to some extent? If he loses one finger or one eye, any physical injury of that kind would affect his earning power as a labourer?—A. Certainly. There is one class that you have not referred to, that is supposing a man has an injury which deforms him, makes him unsightly. We have the case of a man with the whole side of his jaw shot away. He might go and get a job perhaps in the sewers but he has been salesman in a drygoods store, perhaps, or something of that kind. He cannot get that place again. And then there are cases, perhaps, such as loss of a testicle an injury which does not really affect a man's ability to earn a livelihood. These cases are covered by the last clause on page six which says:—

> "Individual cases for which the regulations do not provide or sufficiently provided, may be specially considered by the Governor in Council."

Such cases as those you refer to we would recommend for further consideration. I think they are entitled to a pension, although they do not come under the classification made by the standard.

By Mr. Nesbitt:

Q. Then you do refer things to the Governor in Council?—A. Yes, every recommendation comes before them.

APPENDIX No. 4

By Mr. Scott:

Q. You have a great deal of discretion under the operation of the present Act?—A. Yes, that is the law.

Q. You could take into consideration any special circumstances?—A. Yes.

Hon. Mr. OLIVER: Here is something I found in this book that seems to me to set the whole question of disability in a wrong light. On page 40, "Recommendations of the Pensions and Claims Board, C.E.F., as to pensions and other matters pertaining to the return of members of the Canadian Militia from active service to civil life," and this is the remark to which I wish to draw attention:—

> "Men enlisting for Active Service in the Canadian Militia as privates bring to the service of their country a healthy body. The previous occupation of the recruit is not recognized as having any reference to the service which the soldier could give the State, unless it secures for him a higher rank than that of private, in which case the return made to him by the State in pay and pension is proportionately increased. The private soldier then is looked upon as offering merely a healthy mind and body to the public service. For practical purposes the market for healthy bodies is said to be the "general market for untrained labour." Upon leaving the Service any physical or mental disability which may have been suffered is estimated according to the extent by which it reduced the capacity of the individual concerned for earning a livelihood in the general market for untrained labour. It is to be noted that it is the impairment of capacity for earning, without reference to the former occupation or income, which is to be determined."

Now, my opinion is that this is radically and fundamentally wrong. That is applicable to a condition where the private soldiers are drawn almost entirely from the ranks of unskilled labour, but in the conditions which we have to deal with, the soldiers are not drawn either exclusively or even in the majority of cases, from the ranks of unskilled labour, and therefore we must, whilst we cannot consider each case separately we certainly must, in determining the average soldier's pay, put it higher than it would require to be if you only had to deal with men who in the majority of cases were men of unskilled labour.

By the Chairman:

Q. This recommendation comes from the Pensions Board, does it not?—A. I have no desire to impose upon the Committee my own opinion, I am simply explaining how we have been dealing with it.

Q. You are dealing with it on this principle, are you not?—A. On that principle. I may say that it is working out now, I think, pretty well.

Q. You think it is working out thoroughly satisfactorily now?—A. I do, with the exception of the different degrees of pension.

By Mr. Scott:

Q. The point up to the present appears to have been that no reduction of a pension that has been once established should be made, that is from the standpoint of the man. But if afterwards he has technical training and is able to increase his earnings, to reduce that man's pension on that account would be, do you not think, a mistake?—A. Yes.

Q. That appeared to be the opinion up to the present time. Do I understand you to say that these cases should be reviewed from time to time and reduced if the occasion

seemed to warrant it?—A. Yes. The war is recent, and the injuries are recent yet, an improvement has taken place; but there are few of the cases you can absolutely deal with finally as yet.

Q. How long will it be before they can be finally dealt with? When a man has received a pension, which is afterwards reduced owing to his own industry in his condition, it is hardly a fair proposition. This practice stands in the way of these men improving their condition in life?—A. That is what I mean in regard to this standard of disability in the ordinary labour market. As long as that remains his pension should remain at the same rate.

Q. In what circumstances would you say that?—A. When the medical officers can establish that the case has come to a finality. We can establish it mighty soon if he has a leg off.

Q. There should be no change after that, whatever that man might be able to earn in the future?—A. That is the way we manage it now.

By Mr. Nickle:

Q. I must have misunderstood you. If a man learns telegraphy or acquires other vocational training, at the conclusion of the year the Board, as you said, would keep that in the back of its head in deciding if the man's pension should be continued?—A. If the man had improved along other lines—

Q. Assuming he had not at all. Suppose both legs were off?—A. His pension would remain the same absolutely.

Q. At the expiration of the year, when he is passed in review, his physical condition has improved. You do not take into consideration how he has improved through aptitude and training?—A. When we learn his earnings, we also learn how he is making them, and if by skilled trade it does not affect his pension. If he is making it in the ordinary labour market, of course, it does.

Mr. NESBITT: That would come back to the state of his health, if he is making a livelihood in the ordinary labour market.

Hon. Mr. OLIVER: The state of his health and his inclination.

The WITNESS: There is one class in this question of earnings there seemed to be some discussion about. When a man goes into Government employ and is given a fairly good job, it brings him in a good amount of money. I think, if his condition has brought an advantage, that sentiment and charity has brought that about, I do not see any reason why the country should go down into two pockets and pay the man twice.

Mr. SCOTT: Supposing the man worked for some private concern, why should there be a distinction?

Hon. Mr. LEMIEUX: Because the individual will take him from the same charitable motive as the Government probably.

The WITNESS: Along that line I might instance a few cases, as I was doing when we adjourned the other day. I spoke of a man in the fourth degree who, when his re-examination came on, was recommended for the fourth degree. He was a metal spinner by occupation earning $10 a week. Another man of the second degree was recommended again for the second degree. He was a customs clerk earning $17.50 a week. This is a case of a man being recommended for the same pension because he has an unchanged disability. A man, say, with a leg off, or a blind eye, has a disability that nothing can change. Although this man is earning $17.50 a week, he has been recommended for the second degree.

The CHAIRMAN: If he is put in the second degree he is supposed not to be able to take a position as customs clerk, because the second degree is applicable to those rendered totally incapable of earning a livelihood.

Mr. NESBITT: You have him wrongly classified.

The WITNESS: He lost the sight of his eye from a wound.

APPENDIX No. 4

By the Chairman:

Q. Why was he given the second degree?—A. He got the second degree because he was materially incapacitated by injuries received in the presence of the enemy.

Mr. NESBITT: His case seems to come under the third degree.

By the Chairman:

Q. He is rendered materially incapable as the result of wounds, and he got that second degree. He must have been rendered materially incapable. Although rendered materially incapable, he is considered fit for a customs position?—A. Yes.

By Mr. Nickle:

Q. That means earning a livelihood in relation to your standard of manual labour?—A. Then there is another case of a man in the fourth degree, whose pension has been cancelled altogether. He is completely well, and is earning $8.50 a week, less than the standard laid down by Mr. Darling.

By the Chairman:

Q. Has he completely recovered?—A. Yes.

By Mr. Nesbitt:

Q. Is he at manual labour?—A. Yes. The matter of the amount of money does not really affect it altogether. I know of another case of a man in the second degree earning $2.50 a day running an elevator in the Government service.

By Mr. Nickle:

Q. How do you treat him?—A. He still remains in the second degree, although I may say I tried to persuade my confrères in regard to his case.

By Mr. Scott:

Q. Is he totally disabled?—A. No, materially disabled.

Q. Why do you call it second degree? As a matter of fact, you only have two degrees. You have total disability and materially incapable of earning a livelihood. Those are the only sub-divisions you have?—A. No, we have slightly incapacitated—incapacitated to a slight degree.

Q. How do you get at that? Is that taken care of by the Governor in Council?—A. No, it is on the regular pension classification. You have four degrees.

By the Chairman:

Q. Section (*d*) reads: "The fourth degree shall be applicable to those who are rendered in a small degree incapable of earning a livelihood as a result of injuries received or illness contracted on active service, during drill or training, or on other duty?"—A. There are three degrees for the man who is injured in the presence of the enemy, the first, second and third degrees. There are three degrees for the man not injured in the presence of the enemy, those are the second, third and fourth degrees.

By Mr. Nesbitt:

Q. You do not recommend that that distinction be carried out?—A. I think it should be done away with, and that there should be another class in between, the "slightly" and "totally," another one alongside that "materially." There is too great a bridge there. And the fourth degree should be retained.

By the Chairman:

Q. I think, Colonel, you had better draft for us your idea of what the degrees should be, and submit them in writing?—A. Yes, sir. (See pages 109-110.)

By Hon. Mr. Lemieux:

Q. Before passing on the cases which come before your Board, is it your practice to see the parties?—A. No, sir.

Q. They do not appear before you?—A. No, sir.

Mr. NICKLE: They go before the Medical Boards.

By Hon. Mr. Lemieux:

Q. Then the Medical Board reports to your Board?—A. Yes, sir.

Q. And you pass the final judgment?

By the Chairman:

Q. What reports do you have before you, Colonel?—A. In most instances we have first the reports of the Medical Board that deals with the case when the man is originally injured; he is over in some hospital in England or at the front and a medical board deals with him there. There is probably, and quite frequently a second medical examination some months afterwards, when he has made material progress, sufficient to be sent to Canada. When he comes to Canada there is a Medical Board at the Discharge Depot at Quebec or Halifax; they deal with the case and give their opinion and oftentimes, if the man is still progressing and improving, his case is referred often to a third medical board. The reports of all these medical boards are on fyle and come before the Pensions Board when dealing with the case. The whole history of the case is before the Pensions Board, and I think they are better able to give judgment on that basis than they would be if they had the man before them.

Q. You think so?—A. Yes, to give an unbiased business judgment, apart from sentiment. It would have an effect on the Board if the man appeared before it, it is bound to have some effect, you cannot help it.

Q. The appearance of the man before the Board would be calculated to prejudice the Board one way or the other?—A. Yes.

By Hon. Mr. Oliver:

Q. Here is an Order in Council, on page 83 in the Blue Book), providing for the payment of $100 in certain cases, under what circumstances is that brought into force?—A. I think Mr. Borden will better explain that to you; he is the Paymaster General. I could explain it in part but he can give you much better reasons for it.

Q. Does not that come before your Board?—A. No, that is for the Pensions Board Overseas where they desire to deal with the case at once and not delay it.

By Hon. Mr. Lemieux:

Q. Pending the man's return to Canada?—A. No, for men who are discharged overseas.

Q. But pending their return to Canada?—A. No, in this case it would not come to the Pensions Board at all. There is a Board overseas which has been empowered to give the men $100 to get rid of them. (See page 15-16 herein.)

By Mr. Nesbitt:

Q That is a total liability payment?—A. Yes, that is supposed to end the case.

Q. I was going to ask you in reference to that matter. You say the Board, we will say at Halifax or Quebec, looks over the case and they report to your Medical Board. Do they have a regular system of examination and questions to answer?—A. Oh, yes; there is a form.

Q. Then your Medical Board really proceeds along the same lines as a life insurance board?—A. Along the same lines, yes, but not so elaborate.

By Hon. Mr. Oliver:

Q. There is another Order in Council here providing for the payment of charges for the maintenance of men in Provincial Asylums under certain circumstances. Who deals with that? Do you deal with that question?—A. No, only so far as it affects pensions. If a man is sent to an asylum as permanently insane he is treated the same as a dead man, and if he has dependents, the awarding of their pensions would come before the Pensions Board. If he gets better then, of course, he is given his pay.

Q. You have no cognizance of these cases except in regard to their pensions?—A. Well, frequently the facts come before the Pensions Office and we cannot help but try to help a little bit, but it is not within our purview.

Q. In whose purview is it?—A. That comes within the purview of the Director General of Medical Services, and it is practically also the concern of Mr. Scammell's Military Hospitals Commission.

Q. But this Order in Council deals with the question of pensions?—A. As I say, when a man is judged permanently insane he is treated as a dead man and then we have to deal with the pension. If he has any dependents, they receive a pension, otherwise he does not receive a pension. If a man has no relatives he is simply kept there at the expense of the Government, and that is all there is about it.

By Hon. Mr. Lemieux:

Q. I was going to ask you this question, I know it is the case in our province, I do not know whether it is the case in the other provinces, but where there are no relatives able to pay the cost of maintaining the insane it is charged to the municipality. In this case is the Government paying the cost?—A. Yes, it is charged to the State, to the Dominion Government.

By Mr. Nickle:

Q. Did I understand you the other day to express any opinion as to the wisdom or otherwise of pensions being granted where men were impaired in health owing to incipient disease at the time of their enlistment, but which only developed later on?—A. I wanted particularly to bring this before the Committee; I intended to bring this matter before the Committee because it is important. That is a case, such as you speak of, in which a soldier's disability by reason of disease, injuries or even of a wound is materially affected by conditions which preceeded his enlistment. These cases do occur on active service. The regulations say, " Wounded or disabled on active service " not before.

By Hon. Mr. Lemieux:

Q. But you do not enlist men with a disease?—A. Unfortunately they do.

By Mr. Nickle:

Q. They are not examined as to organic disease?—A. They should be.

Hon. Mr. LEMIEUX: You have rejected hundreds of men for lack of teeth.

Mr. NICKLE: That is quite so, but it is not done for organic diseases that cannot be detected by the ordinary examination.

Mr. NESBITT: All life insurance companies examine every applicant for kidney disease, that is one of the examinations they make.

The WITNESS: I say it is the practice of the Pension Board to require the medical officers to estimate the degree of aggravation which the

disease will have upon any wound or injury; that is how much worse is the man than he was when he entered into the service. Now if the man has an affection of the heart, there is no excuse in the world for the medical officers not discovering that. The local examination is practically, first, for the protection of the recruit and secondly, of the State, but for the recruit first. Now, you take that man with heart disease and if he becomes materially worse afterwards we are inclined to give him all the benefit because it was a case that should have been discovered; he has not been treated properly, he has been badly treated by the medical officer who passed him. But there are other cases, take the man who presents himself for examination and who is an epileptic. Now epilepsy is quite difficult for the medical officer to discover, and the man would pass that examination; but that man knows that he is an epileptic and knows that he is unfit for a soldier. If he chooses to come along and enlist under those circumstances he is not treated with as much consideration by the board as the other man to whom I have referred.

By Hon. Mr. Oliver:

Q. What about the dependents of a man who enlisted under those circumstances, having an organic trouble such as you speak of. Should they be treated any differently on that account?—A. Not if death takes place.

Q. If death does not take place there is no pension to the dependents, is there; but if it does it makes no difference whether the man was healthy or not when he entered the service?—A. No, it makes no difference.

Q. But if a man, by reason of disease, becomes disabled do not his dependents get some pension?—A. Where he is totally disabled, in such cases we do not draw these fine distinctions.

Q. But dependents do not suffer because of the fact of his having the seeds of disease in him when he joined—A. No, not when he is totally disabled. Then there are other cases where a man, as Dr. Clark told us the other day, has locomotor ataxia or other diseases such as that. A man may have had the seeds of that disease in his system for 25 or 30 years.

By Mr. Nickle:

Q. I understand you to lay it down as a principle that if a man, suffering from a disease of which he knew nothing and from the strenuousness of his training or from other work incidental to the service he broke down and became impaired or died he should still be entitled to his pension?—A. Yes.

Q. I can tell you of a case where a man died from Bright's disease of the kidney, the existence of which he probably knew nothing, and the board refuses to pay any pension to the widow and three children. I know that was explained and the board held that the dependents were not entitled to any pension at all?—A. I should like to have that matter brought before us and threshed out.

Q. That has been the practice in a certain district, but you say that woman is entitled to a pension?—A. The Pension Board is only too willing to go into cases of that kind; we want to be informed of any such cases. You will see the difficulty under which we labour in dealing with certain classes of cases.

By Hon. Mr. Lemieux:

Q. Take the case of a man who has a secret disease which is not detected at the time of enlistment and when wounded on the battlefield that disease will develop into a very serious case, how would you consider a case of that kind?—A. The principles I have spoken of would apply in that case.

By the Chairman:

Q. I do not see how you are going to get at a man after he once gets by the Medical Board. You have no record of what he has told the medical officers, have you?—

A. I have brought certain information which I have given to the clerk with regard to such cases. Anything further that is needed of course will be obtained.

Q. If a man passes a medical board he must regard himself as being fit to be enlisted. How are you going to get back of that?—A. In practice lots and lots of men are enlisted and remain only up to six weeks or three months in the service.

Q. You do not pension those men, but I am speaking of cases where he is not turned off before going overseas.—A. Lots of them are turned off after two or three weeks. At any period whenever the man is found to be unfit he is discharged.

Mr. NESBITT: As a matter of fact it is up to the State to see that he does not pass the original examination if he is not fit physically. The examination in some cases has been very lax indeed for I have known of fellows passing three times.

By Hon. Mr. Oliver:

Q. As soon as a man is enlisted he is then under orders and in training. During that period of training surely there is every opportunity to detect his defects if he has any disease?—A. Yes.

Q. But whenever a man has gone through that period of training and has then gone forward and it is ultimately found there is something wrong with him I should say there is nothing can come back against that man?—A. Yes, all these are questions with which we have to deal as they come up; such cases will happen and they should be taken into consideration when you are making legislation about this matter.

By Mr. Nesbitt:

Q. Do you not think in a case such as Hon. Mr. Oliver has referred to when a man has been passed and gone over to the front that fact should be considered if there should later be anything wrong with him?—A. I think there is a good deal in that, but I do not know that it should cover the case in which the man had the disease before enlisting, a progressive disease that would kill him before the end of the war, and which, active service does not affect one way or the other. He would have died if he had never been in the field.

By Hon. Mr. Oliver:

Q. Surely there is no possibility of such disease as that passing unnoticed during the training period?—A. Oh yes, sir.

By Mr. Green:

Q. What disease, for instance?—A. Well, we were speaking of syphilis and paralysis of the insane. A man may have that in his system and show no effect of it, but the time is coming when he suddenly breaks down.

By the Chairman:

Q. If a man breaks down from syphilis contracted after his enlistment should he get a pension?—A. No, we do not give pensions in that case. If I may I would like to bring up the question of negligence. The regulations provide for pensions, "Provided the disability was not due to his own fault or negligence." Now that is giving us a great deal of difficulty sometimes. I want to point out to you at page 6, Article 642, which deals with pensions paid to the widows and children, it says, "provided the soldier's death was not due to his own fault or negligence and was clearly due to the carrying out of his military duties." It seems to me it is stronger in the case of the dependents than it is in the case of the pension to the man which simply provides, "Provided the disability was not due to his own fault or negligence." We have difficulties of that kind.

By the Chairman:

Q. Suppose a man commits suicide?—A. If a man becomes temporarily insane from conditions at the front and commits suicide, it has to be taken into consideration, of course.

By Hon. Mr. Lemieux:

Q. What about the disease of syphilis, for instance, which disease might be caught?—A. Innocently?

Q. Yes. These soldiers are packed together and run risks, in regard to infectious diseases.—A. Well, there is always machinery for these things. There is the Medical Board to hold an enquiry. I wanted to ask your opinion about that. Take for instance the man who bathes in forbidden waters and is drowned, which is his own fault or negligence certainly. But his wife suffers. He may have spent months in England or in France, but he bathes in forbidden waters. I think it is quite right, but I want to explain to you what it means exactly.

By Mr. Nesbitt:

Q. It means that his family suffers if he receives no pension?—A. They have; he is their mainstay, and he has given, perhaps, months of good service to the State. Then there are other cases where——

By Mr. Nickle:

Q. Injuries received in handling horses?—A. Yes. There is one case came up where a man was drowned in the canal, and the instructions were that men on patrol must not approach within twelve feet of the canal.

By Hon. Mr. Lemieux:

Q. Did that occur on the battlefield?—A. No, right here in Canada. The man fell into the canal and was drowned. The coroner's inquest returned a verdict that it was his own fault.

By Mr. Nickle:

Q. Did it occur in daytime or at night?—A. At night.

Mr. NICKLE: He should get a pension.

Hon. Mr. OLIVER: It is a great hardship that the family should lose because of the fault of the soldier.

The CHAIRMAN: The same thing might have occured if he was not a soldier.

Hon. Mr. OLIVER: As a matter of fact, he was a soldier, and the family is going to be a charge on the state in one way or another, and they might as well be an honourable charge by reason of the fact that the husband volunteered as to be thrown on the State as a matter of charity. It seems to me that when a man, in good faith, has left his family, the family should be free of any possible disabilities.

The CHAIRMAN: This man has disobeyed the orders that he must not be within twelve feet of the canal. If he had been a civilian he might have met with the same accident, and the State would not have felt any responsibility.

By Mr. Nickle:

Q. Was that man on patrol duty?—A. He was on sentry duty, and was in sight of others.

Q. Was he close to the canal?—A. Yes, he was patrolling the canal bank.

Q. He may have walked in because he did not see where he was going?—A. He could see; he could be seen by the other sentry, who heard the splash, and saw that he was gone from his beat.

By the Chairman:

Q. What was the theory of the accident,—that he slipped and fell in, or that he was drunk?—A. No, he was on duty; he was all right as far as that is concerned. The exact theory is a moot question.

By Mr. Scott:

Q. You say that you are rather inclined to favour the system of the sub-divisions as you are doing at present, rather than the so-called American system of so much for a specified injury?—A. Yes, sir.

Q. But I think you said that you thought there should be additional sub-divisions?—A. Yes.

Q. You have practically now three sub-divisions; the man totally disabled, the man materially incapable of earning a livelihood; and then you have those in a small degree incapable of earning a livelihood?—A. Yes.

Q. In addition to that you have special cases that can be taken care of by the Governor in Council, so that you have practically these four sub-divisions to take care of the whole situation?—A. Yes.

Q. Your idea is that this is the proper way to handle the situation, only that there should be additional sub-divisions, and additional rates given to those?—A. I think one more. I think if there were five degrees it would cover the case.

The CHAIRMAN: Colonel Belton is going to prepare a memo. for us (pp. 109-110.)

The WITNESS: There is at least one other thing I would like to speak of, that is the question of sole support. A widowed mother, in the first place, whose only son was her sole support, received a pension. Later the "only" was dropped and the emphasis came on sole support. Now I would like to point out to you that if the deceased son is a supporter in part, a material part, do you not think the widowed mother will be still entitled to a pension? I might say that a number of special cases have come out of that, and there have been cases of others than widowed mothers, such as invalid sisters, and where the father is not dead but is incapable. A lot of these cases can be brought up as special ones, but it seems to me that that "sole support" should not be only sole——

The CHAIRMAN: "Material."

The WITNESS: Yes. I can see where it does not do to allow too much power in the hands of any Committee; if you can nail it down to the absolute thing it is just as well. In all of these cases brought up before the Treasury Board we do not state the condition of the pensioner in medical language. We endeavour to put, in plain every day English, what it is. We do not say that a man has ankylosis, but that he has a stiff limb and cannot walk, so that the Treasury Board and the Governor General in Council, when they deal with it, have a picture of the man in front of them and they give their recommendation with a knowledge of the actual condition of the man.

By the Chairman:

Q. From your experience with the Pensions Board so far, by the time the war is over—supposing it lasts until the end of this year—would it be necessary to have a permanent board giving its full time to the question of pensions for some years to come?—A. I think so, sir.

Q. It would afford plenty of occupation for a number of men sitting in the board for some years? It would not be possible for them to attend to other work?—A. I should think not.

Q. It would not be possible to continue a board which is practically composed of officials of the Militia Department who have other duties to perform; you would have to have a board whose sole duty would be in connection with pensions?—A. I think so, sir.

By Mr. Nesbitt:

Q. Would you make that board a court of last resort? You say you have to refer your recommendations to the Governor in Council?—A. There is an alternative plan that is proposed only to relieve the Treasury Board. As I understand it the object is to have a board who would take these recommendations of the Pensions Claims Board, to which I belong, and deal with them, by sitting at certain periods.

By the Chairman:

Q. You would continue the present Claims Board and have a tribunal which would deal with your reports?—A. Yes, I think such a board as the present Pensions Board is essential. But if it is thought that they should be given the larger powers, I have no objection.

By Mr. Nesbitt:

Q. If you had a permanent board could they not relieve you of a lot of work you now do and the members of the present board would be able to go about their present duties. If that new board were created could they not review, as your Pensions Board review now, and that would relieve the members of the present board and allow them to go to their duties, they all belong to the Department?—A. The president and medical member give their whole time to the work of the Pensions Board. They have no other duties and are fully occupied.

Mr. NICKLE: What is the use of having a new board to review the work of the Board that is now in existence.

At this stage Hon. Mr. Hazen asked that he be excused for the rest of the meeting and requested Mr. Nickle to take the Chair in his absence.

By Mr. Scott:

Q. Would you have on that board any civilians?—A. Which board is that, sir?

Q. This Pensions Board?—A. As the board is now composed we have as chairman of the board a man who has been in the military service for a good while, and who has a preliminary training as a lawyer, Colonel Dunbar.

By Hon. Mr. Lemieux:

Q. You think it is essential there should be a military Pensions Board?—A. I think so. It is so intimately connected with the military service, and there are so many things of a military nature that come up that I do not see how any other board could deal with it.

By the Acting Chairman:

Q. How do you arrive at that conclusion? Why is a military board more advantageously situated, than a civilian board would be, to determine a man's ability to earn a livelihood?—A. Not only the question of a man's ability to earn his living by manual labour but the customs of the service come in in a great many ways, the questions of pay and rank.

Q. Where do the questions of rank and pay and the customs of the Service come in at all as regards a man's capacity to earn a livelihood?—A. I am afraid that it is possibly a difficult thing for me to show in a few words, but nevertheless it is so, and

really I may say, after having had to do the work that I would not have been able to do it had I not the knowledge of the usages and customs of the Service and the regulations, without a great deal of difficulty.

Q. Do you not think this accentuation of rank is one of those things it is advisable to get away from, this being a democratic country?—A. That is one thing you did not ask me about, with regard to the democratic question I am afraid I would go farther than you would on that point.

By Hon. Mr. Oliver:

Q. Let us have your opinion on that point.—A. My opinion is an extreme one. I say if you give this same pension to men of different ranks why not give them the same pay. However, I think anything I might offer on this question would not help the Committee.

Witness retired.

Mr. JOHN W. BORDEN, Accountant and Paymaster General, Department of Militia and Defence, called.

By the Acting Chairman:

Q. Do you prefer to make a statement to the Committee with reference to the matter under consideration or would you rather have it by question and answer?—A. By question and answer, I have no statement to make.

By Mr. Nesbitt:

Q. You have heard the discussion so far as it has gone, will you give us anything you want for the good of the community and the good of the cause?—A. I think the scale should be increased, that is the main thing.

Q. That is the present scale of pensions?—A. The present scale for soldiers.

Q. You mean the privates?—A. I mean the privates, the lower ranks, the rank and file.

Q. How much would you increase it, what is your idea of an increase?—A. For total disability I would give total pay. I think if he has sustained total disability he should draw the rate of pay he was drawing when in the Service and, possibly, I would be inclined to go a little further.

By Hon. Mr. Oliver:

Q. How would you define total disablement? Does it mean total disablement of earning power or total disablement that requires the services of an attendant?—A. Total disablement I would consider to mean that he had lost both hands or both arms or both legs, or both eyes or that he was crippled with rheumatism and could not walk.

Q. Even if he could attend to himself?—A. Yes, even if he could attend to himself.

Q. Loss of his earning power would be total disablement, would it not?—A. Yes, the loss of both hands would be a case of total disablement.

Q. Supposing now the case where a man was so entirely disabled that he was unable to help himself and required the services of an attendant, how would you recognize that? That is recognized now?—A. I think in a case like that he should have say $50 a month, $2 a day, for a man totally disabled.

Q. That is to cover both the attendant and the man himself?—A. Cover everything.

Q. You have to provide wages and board for the attendant as well as for the soldier?

Mr. NESBITT: They would not do it, I suppose, just that way?

The WITNESS: For the man who had no friends, I suppose the Government might provide accommodation in the hospital, or in some home.

By the Acting Chairman:

Q. Have you gone into the question of the establishment of soldiers' homes?—A. I do not think it has been considered by the Department or by the Government. I think it should; for unmarried men who have no friends and no relatives that should be done. Of course, with regard to the man who is married, that is different, he has a family to take care of him.

By Mr. Nesbitt:.

Q. Would you give a man who is married and has no children any more than an unmarried man?—A. Oh yes, I would.

Q. If both are totally disabled? Why?—A. The principle is recognized by all Governments, a married man gets more than an unmarried man, the married man has a wife who may be absolutely incapable of earning anything.

By the Acting Chairman:

Q. In regard to allowance to children I see it stops in the case of boys at fifteen years of age and in the case of girls at seventeen years of age. Do you not think that is rather early?—A. No, I do not.

Q. Why not?—A. I think a boy that is fifteen years of age is capable of earning something; I was earning something, for instance, when I was fifteen, and I do not see why other boys should not.

Q. The best educational authorities say that a boy should continue his vocational training, that is in the large centres, until he is sixteen?—A. Yes, the age limit in New Zealand, in Australia and in the United States is sixteen.

By Mr. Nesbitt:

Q. That is according to the State?—A. No, it is the Federal Pension Act.

By the Acting Chairman:

Q. Ours is lower in general?—A. It is for a boy, but the British regulation is sixteen for girls and fourteen for boys. I do not see why the state should keep boys after they are fifteen, and even after they are fourteen.

Q. I do not either, unless the State is to take the parent and leave the boy without education?—A. I suppose in some cases it is necessary, but usually a boy could get a fairly good education when fourteen years of age.

Q. Educational authorities do not seem to agree with that.—A. I daresay they might want to put the boy through college.

The ACTING CHAIRMAN: No, technical officers say the boys cannot get much advantage of technical education before they are sixteen years of age.

By Hon. Mr. Oliver:

Q. With regard to this payment of $100 in a bulk sum, provided for by an Order in Council, will you explain that?—A. That was just to give certain men who were slightly injured their discharge. Of course that would not prevent their coming back, if their injuries were permanent and claiming their pensions. That provision is intended for those who are living in England and who intend to remain overseas. For instance, a man might have some slight illness from which the doctors say in the course of three or four weeks he will be perfectly recovered. We give that man $100 and allow him to go to his home. (See page 15-16 herein.)

Q. That does not apply on this side, then?—A. It does not apply on this side. Of course the Medical Board can say a man may in the course of a few weeks recover and his pay and allowance which would amount to about the same thing are issued to him and this man can then be discharged.

By Hon. Mr. Lemieux:

Q. And they do not come back for a pension?—A. They can come back at the end of the three or four weeks. If a man is still ailing and another medical board says that the man is eligible for a pension he can then be pensioned, there is nothing to prevent it.

Q. It is a sum not exceeding $100; it may be less?—A. It may be less, yes.

Q. Can you tell us the amount that has been paid out in that way?—A. I could not tell you how much has been paid, because we have not got the returns from overseas and the order has only recently been approved.

By Hon. Mr. Oliver:

Q. Last January or December I saw a boy who had been blinded in both eyes, he was totally blind, and I understood he had been discharged at Quebec and given $100. Was that payment made under this Order in Council or under what circumstances was it made?—A. I cannot understand how a boy who was totally blind would be discharged in that way. If he were totally blind he would be eligible for a pension in the first degree.

Q. I suppose this was merely a payment pending the adjustment of a pension?—A. It would be just simply an advance of pay in order to keep him going until his case could be finally disposed of.

Q. Where would he stand with regard to pay? Would he get his pay up to the time the pension is awarded?—A. He would get his pay up till the date the pension takes effect. As soon as possible his case would come up before the Pensions Board and the board would recommend his pension from a certain date which might be the first of April for instance and he would be paid in full up to the first of April and then his pension would go into effect.

Q. There was some gentleman the other day, I forget who it was, who told us a case where a man had been discharged, that is he had been paid full pay eight months ago, and had not yet received his pension. He was going to get his pension dated back until the time that his pay was cut off. Is that the custom?—A. That is not the custom.

Q. Instead of carrying his pay forward that would be a case where the pension cuts the pay off and the pension is dated back; that might be an economical way, but it is hardly fair?—A. What we endeavour to do is to keep them on pay up till the date on which their pension goes into effect.

Q. That is the principle?—A. Yes.

By Mr. Nesbitt:

Q. As a matter of fact a great many of these boys are sent to convalescent homes and you keep them on pay just the same?—A. Just the same.

By Hon. Mr. Oliver:

Q. There was another case came to my attention—I do not want to make trouble but I want to know how it occured—a fellow was injured by shot and was discharged at Quebec. At Quebec he was given his ticket to his home in Alberta, and $7; that $7 was to pay his board on the way home, and he was for some months without any further consideration. Under what circumstances did that occur?—A. Well, that man must be among the first that came back.

Q. Yes, he was one of the early ones.—A. Well, there were at one time, about 1,600 came out, and the authorities in Quebec were not in a position to deal with them all promptly. A great many of these men were sent to their homes until their cases could be looked into. Many of those who were sent home were lost sight of, and for a while I presume there was more or less hardship.

Q. But that was not supposed to be a settlement with that man. He would be entitled to come back and get his pension?—A. He is entitled to his pay and allowances up to the date he is pensioned.

Q. In the case of that fellow he would get his pay from the time he was discharged at Quebec until he gets his pension. In that case you carry his pay forward?—A. It would depend upon circumstances, whether he was ailing all that time, or not, I could not say without knowing the details.

Q. There was another case of the fellow who lost a hand, and he was in very much the same position, up to the time he came down?—A. A number of these cases did occur, simply because there were not facilities for handling them as fast as they arrived.

By the Acting Chairman:

Q. Do you think the "capacity of the individual for earning a livelihood in the general market for untrained labour" is a fair standard?—A. I hardly know what to think. In the United States they give specific sums for specific injuries. If a man lost one leg, he gets so much; if two legs, so much more; if he loses one hand, so much; and so on. There are a hundred different rates for the different injuries. That is one way of looking at it. There is this other way, which, I believe, prevails in Australia and New Zealand; that is the amount of incapacity, or the extent the man is damaged or rendered incapable of earning a livelihood.

Q. But "in the general market for untrained labour," do you think that should be added to the standard, or do you think it should be the extent to which he is incapacitated in relation to his avocation?—A. I would so suggest.

Q. What is the fairest of the three systems?—A. I believe the most satisfactory way is this recommendation here. I believe that it is the most satisfactory way you can deal with it. Look upon the man as to how much it unfits him for following the ordinary vocations of life, and at the same time have regard to the extent of his injuries.

Q. That is not what this says. Is it the ordinary avocations of life that should be the standard, or the capacity for earning a livelihood in the general market for untrained labour?—A. It seems it is for the amount of injury done to a man, according to the way it is put here. For instance, if a man has lost his leg he is materially incapacitated for manual labour.

Q. But not if he is a telegraph operator. What should determine the pension in that case?—A. I am inclined to think that perhaps the fairest way is the arrangement which they have in the United States. If a man has lost his leg, it seems to me that he should be given a pension on that basis, that is, for loss of one leg, or two legs, or one arm or two arms, or the loss of sight.

Q. Suppose you assume that standard for cases that you can specify. But as between the broader classes of cases, should it be in relation to capacity of earning a living in the general market, or in his own employment?—A. I do not like that; I would not say in his own employment. He might be a man earning a hundred thousand dollars.

Q. The salary has nothing to do with it, just the proportion of injury. It does not make any difference what salary he gets.—A. I think the extent of injury done the man.

Q. Take the telegraph operator; he loses his foot, but that does not interfere with his earning his livelihood. The man constructing sewers, or the plumber, loses his foot, which does not interfere with his earning a living. Would you give both cases the same pension?—A. If they were in the same ranks, yes.

Q. It would make no difference what the employment was at all?—A. That is the way they look at it in the United States. I think it is the fairest way.

Q. That is not the way you are carrying out the system here at the present time? —A. That, I think, was the intention. I do not know whether they are carrying it out that way.

Q. Take, for instance, a man who loses his hearing and is a telegraph operator. Would you give him any pension at all to speak of? He is quite capable of earning his livelihood in the general market for untrained labour?—A. Certainly. A man who has lost his hearing has been damaged.

Q. But very trifling in relation to the general market for untrained labour?— A. He should get some compensation.

Q. But leaving that just for a moment?—A. For total deafness in one ear the United States scale calls for a pension of $10 a month.

Q. Would you make any distinction between the ranks, that is, privates and officers, and if so, why?—A. Well, because the officer has filled a more responsible position, and it is assumed his services to the state have been greater than those of the private.

Q. Is the pension given for service to the state or for the injury the man received in relation to his civil employment?—A. I think consideration should be given to both.

Q. How would you work that out? Take the case of two boys, coming from the same home, both married. One is a private and the other a captain; one volunteered in the first contingent, and the other in the later forces. If entitled to pension, would you give them the same amount or make a difference?—A. I would make a difference.

Q. As radical as the present system?—A. Yes, I think so. Of course, I might say in regard to that, you must remember there was a pension system existing before the war, and that when the scale was fixed the rates for officers were not increased, but the rates for the privates were increased.

Q. The pension list, of course, was for a regular army as distinguished from a volunteer army?—A. No, that was for the Militia of Canada. A Lieutenant-Colonel now, who has been away and has been injured, can draw a pension, according to your pension list of $1,200 a year. You cannot say to him when he comes back: "We will only give you $600, although this pension rate of $1,200 was in existence before the war, but we do not think you should get that much. You shall only get $600."

Q. You think it would be unfair?—A. It would be actually breaking faith with that officer.

By Mr. Macdonald:

Q. Have you any other reason than that?—A. My other reason is that it is generally acknowledged that the scale of pensions should increase with the rank, particularly for long service, as the officer has held a more responsible position than the private.

Q. That has been true under English conditions where you have the classes and the masses; but in a democratic country like ours where everybody volunteers, and some people get commissions because others cannot, do you think the distinction exists?—A. Sooner or later, the man who has ability is pretty sure to rise. For instance, over at the front they have been promoting from the ranks right straight along.

Hon. Mr. OLIVER: Many have been killed and wounded.

By the Acting Chairman:

Q. Have you made any estimate of what it will likely cost this country for 50,000 men on active service per year, for a pension list going on any other basis?—A. We did make an estimate, but it depends so much upon circumstances.

By the Acting Chairman:

Q. I saw an estimate that it would cost $18,000,000 a year for pensions for 50,000 men engaged in active service for a year? What do you think as to that?—A. There would have to be some pretty hard fighting to make it that much.

Q. You think it would be very high?—A. This (producing document) was an estimate prepared upon the estimated number of killed and wounded by the War Office.

Q. Will you kindly read that?—A. (reads):—

(4) The War Office estimate of deaths and disablements is as follows:—

Deaths	15%	In a force of	100,000	=	$ 15,000
Total Disablements	3%	"	"	"	=	3,000
Partial	6%	"	"	"	=	6,000
Slight	9%	"	"	"	=	9,000

Approximately 20 per cent of the force are married or are the sons of widowed mothers and, therefore, there would be 20 per cent of 15,000 to be provided for under the heading *Widows' Pensions.*

Assuming that the average number of children in family is three and that the average rate would be a little lower than that for a sergeant's widow, the annual cost for widows' pensions would be 3,000 pensions at $500 each, $1,500,000. Of the 3,000 *totally disabled,* 20 per cent, or 600, would be married.

Assuming the average man has a wife and three children and the average rate would be a little lower than that for sergeant, the estimate for these would be:—

600 Married soldiers at	$600 00	$ 360,000
2,400 Unmarried soldiers at	300 00	720,000
Total for men totally disabled		$ 1,080,000
Add:—		
6,000 partial disablements at	$200 00	1,200,000
9,000 slight at	100 00	900,000
Grand total annually		$ 4,680,000

March 1, 1915.

I think that is quite high enough.

Q. For how long is that?—A. For one year.

By Mr. Macdonald:

Q. That covers all classes?—A. That covers all classes.

Q. And it is based on the existing schedule?—A. Based on the existing schedule—well, up till the present, I think there is a statement here printed, which shows that there has only been $500,000 paid.

By Hon. Mr. Oliver:

Q. How does this table work out with the actual facts? We had 30,000 to 50,000 men in the field for how many months?—A. I have worked that out and it is lower than that. We have had a force there for eighteen months, or over a year anyway, and the amount actually paid out is lower than that estimate.

By the Acting Chairman:

Q. Of course the field force has not been in actual service at the front all that time, a lot of them were in England for a great many months?—A. Well, we could work it out on a basis of 25,000 in active service for a year.

Q. And of course when it comes to an active offensive it will be heavier?—A. Certainly. It is very difficult to work it out exactly.

APPENDIX No. 4

By Mr. Macdonald:

Q. What do you say about the abolition of degrees?—A. My opinion is there should be five degrees.

Mr. NESBITT: That is what Colonel Belton said?

The WITNESS: I think there should be five, there are hardly enough now.

By Mr. Macdonald:

Q. You would distinguish between "total disability" according to the conditions under which it was received?—A. Yes.

Q. You do not agree with the first and second degrees as we have them now?—A. That is that they be divided?

Q. Yes?—A. Well, it might be, I think, left as it is although I am not very strong on that. I think the man who has been wounded by the enemy at the front deserves in a way more recognition than the man who has simply gone into camp, who has perhaps developed tubercular trouble or something like that, who has gone from the camp into hospital. It seems to me that the man who has been at the front and has suffered injuries, the loss of legs, or has been injured in some way, is entitled to more consideration.

By the Acting Chairman:

Q. I cannot see the difference it makes to a man or his family whether he is injured by a horse falling down while crossing the training field or whether the horse was shot under him at the front. It is the same thing to the family?—A. Well, of course, one man has done greater service to his country than the other man.

Q. Has he not shown his willingness to give service to the State by enlisting, and doing everything he can. What difference does it make whether a man is killed on the battlefield, or on the training field? What difference does it make to his widow? —A. You might say that of any man in civil life. Of course it is very hard for them to lose their support.

Q. But this is in military life?—A. There is so much illness due to a man's indiscretion. Men will get drunk and will do lots of things you know.

By Mr. Nesbitt:

Q. And a man gets shot because he pokes his head out of the trenches when he ought to be keeping it down?—A. They are pretty careful not to do that.

By Hon .Mr. Lemieux:

Q. That is the fortune of war?—A. There might be a new scale fixed which might apply to these cases and which would include these two first degrees of total disablement without regard to where it was received. Of course I have in mind one case which came up, that of a man who was going from Valcartier to the ship. There was a train standing across the road and he was too lazy to walk around the train, he thought he could crawl under it, the train started and took off both his feet and he was pensioned.

By the Acting Chairman:

Q. That was a case where a man was injured through his own fault?—A. Well, they will get their pensions, you can hardly stop them. If they are injured while on military service you can hardly stop them getting pensions.

By Mr. Macdonald:

Q. With regard to the other three classes what would you suggest?—A. I think there should be a considerable increase in the first degree, and then I think there

should be four others. Of course that is a matter of detail to work out what they should be, but the first degree should be considerably higher.

Q. For total disablement for the rank and file?—A. Yes, higher than what is in the scale at present. I was on the first committee that considered this scale and maybe partly responsible for it; but then it is much easier, you know, to increase the scale than it is to reduce it after putting it in operation.

By Mr. Nesbitt:

Q. You say you would make it higher for privates, would you make any difference between married and single men for total disablement?—A. Yes, I think the married men should have more, but under the English regulations they do not consider the wife at all although they do the children.

Q. I mean a married man without children?—A. Yes, I think the man who is married should have more, he has a wife to support.

Q. But the other fellow that is totally disabled has to hire labour and support himself?—A. That is so.

Q. Would not that be as expensive as supporting his wife?—A. That question came up a while ago and I think homes should be provided for such cases.

Q. That is where they have to engage attendants to look after them because they are totally disabled?—A. Well, of course cases like that might be considered specially, but I am speaking generally. What is called totally disablement does not mean that a man cannot help himself. As I have said it is possible for him to lose both hands and still be able to do something for himself.

By the Acting Chairman:

Q. Total disablement under the regulation means that he cannot earn a living in the ordinary labour market, not that he cannot look after himself?—A. No. I think the married men should have more consideration than the single men.

By Mr. Macdonald:

Q. You know the argument that has been made here about that, do you not?—A. No.

Q. The argument has been advanced here that if a man is totally disabled so as to require the services of an attendant he is worse off than the man who is married?—A. Because the one has a wife.

Q. Yes, and it is urged that under those conditions they ought to be placed on the same basis?—A. Well, the man who has a wife has to keep up an establishment somewhere, he has to take care of his wife, and naturally a man who is totally disabled who is absolutely incapable of helping himself, should have money enough to enable him to live. Another man in a similar position and who is married should have a little more because he has a wife.

Q. Do you think it makes much difference if the man is so totally disabled that he has to be looked after who he is looked after by?—A. You are considering the case where a man is absolutely helpless; that occurs on very rare occasions.

By Mr. Nesbitt:

Q. Take a man, for instance, who is paralyzed?—A. Yes, that is total incapacity.

Q. I know a man in Oxford who is paralyzed from a railway accident and who has to get a man to take him out for an airing?—A. I would give him the same pension as a married man who was totally disabled and who had a wife.

By the Acting Chairman:

Q. Under the present system a man with both legs gone is totally disabled for the purpose of a pension, but whilst he is totally disabled he is not totally incapacitated

from looking after himself. You would give no greater allowance for a man who is totally disabled, according to the interpretation of the term used in the pension regulations, and one who is totally disabled and helpless?—A. Yes. For a man who is helpless certainly we should make special provision for him the same as in the United States, because they recognize when a man is totally helpless special provision should be made for him. That is to say they give $1,200 a year to a man who has lost both feet, and in addition to that if the man is so disabled that he can not help himself they give him something additional, as I understand it, for an attendant.

By. Hon. Mr. Oliver:

Q. I think there is something to be said for the wife of the man who is totally disabled. We are depending upon the voluntary system and the woman has a great deal to say whether a man volunteers or not. If she has permitted or encouraged him to volunteer I do not think you ought to pay her on the same basis as a simple attendant to a physical wreck. I think she is entitled to some consideration?—A. Yes, I think it is right.

By Mr. Nesbitt:

Q. She is entitled to some consideration as a wife?—A. Yes, as a wife.

By Hon. Mr. Oliver:

Q. We cannot depend upon the single men entirely, we have to get the married men and we ought to treat the wife with some consideration on that account?—A. I think so, and if it were not recognized you would have pretty hard work recruiting.

By the Acting Chairman:

Q. Assuming that a man were disabled, if he were a married man you give him a greater pension than if unmarried?—A. Yes.

Q. If a man were unmarried and helpless would you give him more?—A. I would give him the same as a married man.

Q. If he were totally disabled and helpless would you give him anything additional?—A. If he were totally disabled and helpless I would be inclined to give special consideration to his case. There would not be many of them, but such as there were I would give special consideration to.

By Mr. Macdonald:

Q. It is a question in which you would have a schedule, under which you would give the pension authorities some discretionary powers. You could not make it hard and fast?—A. No.

Q. But something along those lines?—A. I would have some schedule laid down recording that if the man was absolutely helpless he would have additional consideration. I could not say just what it should be, that is a matter to be thought out.

Q. What would you say about the theory of having a pension scale fixed at a definite and certain basis so as to remove any inequality?—A. Yes, that should be done.

By the Acting Chairman:

Q. You would have some system similar to the American system which would allow a fixed amount for the loss of a leg or an arm or an eye?—A. Yes, I think it might be worked out in a little simpler way. That is to say you could have the five degrees, and you could put whatever of these disabilities you desired in the first degree and the others would be placed in the second, third, fourth or fifth. Of course the loss of both hands or both legs or the loss of sight would be in the first and the loss of one hand or one eye or one leg would be in another degree.

Q. You would group the disabilities?—A. Group the disabilities.

By Hon. Mr. Oliver:

Q. You would specify and group them?—A. Yes.

By Mr. Macdonald:

Q. Did you have an opportunity of talking with Mr. Frank Darling?—A. Yes, we had a conversation. He is inclined, and I quite agree with him, that the soldier who is totally disabled should have a pretty fair rate of pension. That was the sum and substance of his suggestion, but I do not agree with everything he said.

Mr. MACDONALD: He suggests that $12.50 per week should be the amount.

By Mr. Nesbitt:

Q. And he strongly urged that the unmarried man should have the same amount but you do not agree with him?—A. No, I do not agree with him there.

By Mr. Macdonald:

Q. I think he is only presenting one side of the argument there, and that is the side of the man. The question is whether you consider the sacrifice of the woman whose husband is totally disabled is not deserving of some consideration. He says, $12.50 per week; how far do you go in regard to that?—A. Well, I think that is a pretty good rate. But if a man is totally disabled and helpless I think he should have quite that.

By the Acting Chairman:

Q. Do you mean married at the time of enlistment, or at the time he earns his pension?

Hon. Mr. OLIVER: Married at the time of enlistment.

Witness retired.

Lieut.-Col. W. S. CONGER, called and examined.

By the Acting Chairman:

Q. What is your duty in relation to pensions?—A. I am Officer Paying Canadian Pensions.

Q. You deal with the practical side of the matter?—A. Yes, and through that I get in touch by correspondence directly with the pensioners themselves.

Q. And with the Medical Board?—A. No, the medical part goes through the Claims Board.

Q. Will you tell us what you can that will be of assistance to us?—A. I thought it might be of some interest to know what it cost up to the present for each dependent, that is either the soldier, his wife, or his child. Figuring it up to the 21st of this month, it costs $183.13 per annum per dependent. That is a little higher than it will work out next year, as it is taken on the basis of the first year, where we have an extra number of widows or widowed mothers who get the two months' gratuity when the pension commences. So this amount averages up a little higher than it would otherwise.

By Mr. Nesbitt:

Q. That is, taking the same number?—A. Yes. I might state that we have had a greater percentage of widows than men. We have had widows from the first, and the disabled soldiers we have been getting only lately. The percentage of widows in these figures is greater than it would be at the conclusion of the war.

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By the Acting Chairman:

Q. Do the death claims come in very rapidly?—A. Much more rapidly than for the disabled soldiers.

By Mr. Macdonald:

Q. Can you tell us how many death claims have been paid?—A. We have paid widowed mothers receiving pensions, 56; mothers, 21; fathers, 1; sisters, 2; invalid brothers, 1. And then on account of step-children, other dependents, orphan children, 39; widows, 524.

Q. How much does that make altogether?—A. I have not added them up, between 630 and 640 death claims. (See Exhibit 3, page 106 herein.)

Q. That is the total number receiving pensions?—A. We have really dealt with Orders in Council, that is pensions granted on account of a soldier being either wounded or killed. We have dealt up to the 21st of March with 1,631 cases. We have some 250 cases on hand that will be dealt with before the end of the month. And our total expenditure for those per annum the first year is a little higher than it will be other years, and amounts to $466,974, while we have actually spent to the 21st of this month, including those paid by the High Commissioner for Canada up to the 29th of last month $317,080.86. That is, we have not spent over $400,000 out of the two millions voted last year.

By the Acting Chairman:

Q. You stated that there were two sisters included in the list of dependents and an invalid brother, apparently where the soldier had died. On what ground did you pay in those cases?—A. The Order in Council granted a pension in one case to the sister of an unmarried officer. She was solely dependent on this officer. As a matter of fact, he was an Ottawa man, a doctor. A pension was granted to her.

Q. In any pension scheme, how far do you think collaterals should be considered who are dependents?—A. I think there should be very few cases. In a case of that kind, where a sister shows that she has no private income, and absolutely proves that her brother was the sole support, it could be considered. But where she had a private income sufficient to keep herself, I do not think a pension should be granted. The further we get away from the widows and children and widowed mothers, the more we branch out, makes it so much easier to continue to branch out and take in everything. That is one point, in paying these pensions, I think we should limit as far as possible to only the most deserving cases. Of course, those two cases I spoke of—the sister and the invalid brother—were two very deserving cases, and there are only three cases so far that we have had.

Q. Don't you think pensions should be granted on principle rather than on discretion?—A. Well, they should be, yes.

Q. What do you think should be the principle?—A. Well, I would not like to express an opinion on that. That really does not come under my particular work That is really a question for the Pensions and Claims Board to deal with.

Mr. GREEN: Would not the measure of actual dependence be the principle?

The ACTING CHAIRMAN: That is getting to be quite a question already. I have heard it raised in various ways.

Mr. MACDONALD: A man's grandmother, for instance, might be actually dependent upon him, and in all probability would be.

The ACTING CHAIRMAN: And there is the case of the widowed sister.

Mr. MACDONALD: I think the true test ought to be dependency. It should be on principle alone. If a pension is provided for it ought only to be on account of dependency and not by favour.

The ACTING CHAIRMAN: It should be on principle, and not a discretionary matter.

Mr. NESBITT: It should be discretionary as to who were actually "dependents."

The WITNESS: The pensions that have been granted so far to the widows have been satisfactory. I have not had a complaint from a widow that the pension is insufficient. One widowed mother wrote to me that she thought the pensions ought to include all the relatives, everybody connected with them should get a pension, but there has been no complaint as to the amount being insufficient. Some men have written in that the pension is not great enough, and I think in several cases the complaint was caused by the fact that we have not a sufficient number of degrees. One man might come under a certain degree, and would be a great deal better off than another who came just within the next. I have had several letters from widows thanking me for their pensions which were very acceptable.

By Mr. Macdonald:

Q. How much do you give the widow?—A. The widow of a private gets $22 per month and $5 for each child for boys up to fifteen and girls up to seventeen, and a bonus of two months' gratuity. With regard to the degrees of pension for loss of limb or loss of eye, I am rather taken with the American system, so much for each separate loss, and then when a man is earning sufficient, or what we consider a good living, all he gets is so much per month for the loss of a limb, or according to the injury he has sustained. But when a man sustains an injury to his earning power so that he is not able to earn a fair wage then the difference between his earnings, coupled with the amount of his pension for the loss of his leg and the amount he should have to bring him up to the standard should be made up. For instance, if a fair wage is considered to be $52 a month and if the man is granted $15 a month for the loss of his leg and if he earned $25 per month in the labour market, then he should be given a third degree pension of $11 per month and that will bring him up to the standard. I think that the man who was earning $8,000 or $10,000 before he entered the service, if he lost a leg he gives something to the service of the State, but although he probably does not need the pension he is entitled to it, and he feels that he has earned it.

By Mr. Nesbitt:

Q. Supposing you take into consideration the case of a man who gets $16 a month for the loss of his leg and although he might earn $25 per month more he refuses to earn anything, would you make up the difference between the $16 and the $52?—A. Not if he were absolutely worthless and refused to try to earn anything. The Medical Board in the locality in which he lives would be able to ascertain whether he tried to provide for himself to any extent, and if he did not I think that the man who absolutely refused to work should not get any further consideration.

By Hon. Mr. Oliver:

Q. He might assert that the labour conditions were such that he could not get employment, that is a consideration sometimes?—A. That is a consideration if he could not get employment.

Q. And two years ago the conditions were such that a man could not get employment?—A. No, possibly he could not.

By Mr. Nesbitt:

Q. In a case of that kind you would leave a certain amount to the wisdom of the Court of Review, the Pensions Board?—A. In a case of that kind, certainly.

By Mr. Macdonald:

Q. I would not leave the question of whether a man could work or not to any local medical board. The local doctors do not know sometimes anything about a man's ability to get work?—A. These medical boards we have appointed now—in the old days the 1885 pensioners were allowed to send in two medical certificates from two local practitioners stating that they were still suffering from the disability which

gave them their pension. These came in every year. Abuses occurred, because no local doctor would turn the pensioner down; but since we have had our medical boards we have found out, in some cases, that there has been no disability for some years. Under the other system, the local doctors just filled out the form and sent it in. That is not the case under the present system of medical boards.

By Mr. Macdonald:

Q. Are they under the Militia?—A. Yes. It makes a difference.

By Mr. Nesbitt:

Q. It is to be hoped that these medical boards are wiser than those which examined recruits. There are many recruits rejected after they have beeen once passed?—A. The medical boards examine these cases. They get a medical history each year the examination takes place. It is supplied to them, and gives the condition of the men on the last medical examination, and they have the history of each.

Q. You give them a blank form?—A. The Pensions Board supplies the form and the history of the case. Then with the total disability cases that seem to be coming up, I think we should have soldiers and sailors homes where a man totally disabled, and unable to look after himself, would be put, and be given a small pension to buy a few luxuries. These homes could be used afterwards for pensioners who have been earning a living up to a certain age until they are too old, and they could be kept there and given a small pension.

Mr. NESBITT: That is a good idea.

Mr. MACDONALD: Yes. The really disabled man might be left without family or friends, and without some provision of this kind might have nowhere to go.

Hon. Mr. OLIVER: Would it not be a good idea to have the witness make a report on that? (See page 107 herein.)

By the Acting Chairman:

Q. Will you submit a memo. with regard to your views on this subject?—A. I will, sir.

The ACTING CHAIRMAN: Having glanced through these statements from which the witness has been quoting, I think it would be well to have them on the record. (See Appendix to evidence, Exhibit No. 3. p. 106.)

By the Acting Chairman:

Q. In regard to the cancellations here, a widow not being a legal wife, are the Pensions Board taking the position that if a man is not married, although living with a woman, she is not entitled to a pension, although he may have been living with her as his wife?—A. These cases in particular are where men have come out to this country and have married here, and at the same time have had a wife in England.

Q. To which do you give the pension?—A. The pension has been paid to the first wife.

By Mr. Nesbitt:

Q. That is the legal wife?—A. The legal wife. The cancellation of those pensions that you speak of has reference to pensions that were granted, it being afterwards ascertained that the woman was not deserving of the pension.

By the Acting Chairman:

Q. If a man is living with a woman as his wife, and she is not his legal wife, does she get a pension?—A. Yes.

Witness retired.

Committee adjourned.

(5) APPENDIX TO EVIDENCE (EXHIBIT No. 3).

CANADIAN PENSIONS—European War—Being Paid to Deceased Soldiers' Dependents.

		Children.	Total Pensioners.
Widowed mothers	56		
Mothers	21		
Fathers	1		
Sisters	2		
Brothers	1		
Other dependents (step children, etc.)	5	3	
Orphan children	20	11	
Widows	524		
Children		848	
Total	630	862	1,492
Cancellations—			
Widowed mothers (death)	1		
Widows (death)	1		
" (receiving Imperial pension)	1		
" (not deceased soldier's wife)	2		
" (not legal wife)	1		
" (unworthy)	2		
" (husband not dead)	1		
" (re-married)	10		
	19		
Children		20	39
Total	611	842	1,453

STATEMENT of Pensioners to March 22, 1916.

Total pensioners paid		1,677
Less cancelled		46
		1,631
On hand to be paid		260
Total		1,891
May	$	4,562 22
June		7,483 67
July		17,618 80
August		13,483 65
September		29,541 45
October		37,422 68
November		27,444 55
December		26,124 33
January		28,773 28
February		44,021 71
To March 22		32,288 48
	$	268,764 82
Paid by the High Commissioner		48,316 04
	$	317,080 86

FINANCIAL STATEMENT from Officer Paying Canadian Pensions, showing the amount of pensions to be paid for one year for all pensions granted, to 21st of March, 1916.

RECAPITULATION.

Widows, widowed mothers and other dependents	$	296,859 00
Officers, N.C.O's, and men		170,115 00
Grand total	$	466,974 00
Average annual amount for each pension by O. in C	$	278 46
Average annual amount for each dependent		183 13

APPENDIX No. 4

HOUSE OF COMMONS,
COMMITTEE ROOM No. 110.
THURSDAY, March 30, 1915.

The Committee met at 10.30 o'clock, a.m., the Chairman, Hon. Mr. Hazen, presiding.

Mr. MACDONALD: Senator Boyer, who is the father-in-law of Colonel Mignault, Officer Commanding No. 4 Stationary Hospital in France, has presented for the information of the Committee a report prepared by that officer on the system of re-education of the wounded showing their methods of dealing with this matter. Accompanying the report, which is a voluminous one, is a number of photographs showing up-to-date methods by which people who have lost arms and other limbs are fitted so as to be able to engage in various occupations. I simply wish to submit it for the inspection of the Committee.

The CHAIRMAN read a letter forwarded by the Prime Minister from Mr. Geo. A. Kingston, member of the Workmen's Compensation Board of Ontario, offering to furnish statistics in relation to that board for the information of the Committee.

Mr. Nickle was requested to invite Mr. Kingston to appear before the Committee.

The CHAIRMAN read a communication from Lieut.-Colonel W. S. Conger, as follows:—

(6) OTTAWA, March 29, 1916.

To the Chairman,
Pensions Committee,
House of Commons.

SIR,—I have the honour to submit the following at the request of your Committee.

In my opinion I believe that we should have soldiers and sailors homes where the totally disabled soldier could be given a home as it is altogether likely that many of these men will not have a home of their own to go to.

I believe that these homes should be under the control of the Military and Naval Authorities.

That wherever a home is selected there should be some acreage around it.

These homes could be used by pensioners who have reached a certain age and are unable to earn anything in addition to their pension. It would not be necessary then for our Canadian pensioners to depend, to a certain extent, on charity in their old age.

I would suggest that all pensioners going into a soldiers and sailors home would continue to receive their pension, but that part of it (say $3 or $4 per month) be paid to the pensioner and the balance should go to the home, and this money used to help support the institution. A number of these pensioners would be able to do a certain amount of work and therefore my suggestion that the home should have acreage where garden produce could be raised.

In England and the United States they have homes for soldiers and sailors and if your Committee desired detailed information the same could be obtained from the Commissioners of Chelsea Hospital.

When I offered this suggestion of a home to your Committee on Tuesday morning I had not gone into the subject as to conditions under which they are managed, etc., but to give my opinion as to what could be done with the totally disabled pensioners.

I have the honour to be, sir,
Your obedient servant,

(Sgd.) W. S. CONGER, *Lieut-Colonel.*
Officer, Paying Canadian Pensions.

Mr. MACDONALD: In regard to the question of soldiers' homes, the more one thinks about the subject, the more you come to the point where you deal with the totally disabled, the conclusion is reached that there will be a number of men who have no family affiliations that would guarantee them being looked after. I think we are up against the problem of Soldiers' and Sailors' homes. I was asked to join a deputation to wait on the Minister of the Naval Service the other day, to ask him to give a grant to some Soldiers' and Sailors' home on the other side. This is a very estimable project, but it seems to me that many good people in the country rush off into projects without knowing where the end is going to be.

The CHAIRMAN: I saw that delegation and they really were not able to give me any information or tell me what would be accomplished by this scheme. I asked what provision was to be made for Canadians in the hospital, and there appeared to be none so far as they knew. They seemed to have rushed into it without due consideration. They wanted to raise about $50,000.

Mr. MACDONALD: I declined to accompany them. If Canada is going to raise money we want it for Soldiers' and Sailors' Homes for ourselves.

The CHAIRMAN: Undoubtedly that has to be dealt with, but whether or not at the present moment I cannot say. But we shall be up against it in the future. I am not quite sure that it is within our function at present.

Mr. MACDONALD: If we knew there were to be Soldiers' and Sailors' Homes in Canada, in considering what the ultimate pension scheme ought to be, more particularly with regard to total disability, you would have a condition where the unmarried man, after a certain age, would be provided for. It would solve a lot of problems. For that reason I think it would be desirable, at least that would be my opinion, before many worthy people give their money for a home on the other side, they should be reminded that charity begins at home.

The CHAIRMAN: This home, as I understood, was not to be for navymen but for merchant sailors, because I understand the navy maintains homes for its own sailors. But in Great Britain they have no system of sick seamen's funds such as we have here. There is a tax put on at all ports, for this fund which is administered by my department. In the old country they depend upon voluntary subscriptions.

Mr. NICKLE: Hasn't the Hospital Commission this matter under consideration?

The CHAIRMAN: Yes, I think so.

Mr. NICKLE: In case these institutions were founded, there could be some adjustment of pension made?

Mr. MACDONALD: A totally disabled man who has no family, is paid an allowance for someone to look after him. That could be all cut off if we had a soldiers' home.

Mr. NESBITT: I think we will meet the suggestion that someone wrote to the Chairman about, that pensions would go on just the same.

Mr. MACDONALD: I am not discussing the details. This Committee has nothing to do with it, as the Minister says. I mentioned the matter on account of Colonel Conger's letter, and on account of the fact that the matter came under my notice the other day. I think it is well that these worthy people should be reminded that it would be most desirable to devote their energies and money to establishing a home in Canada for our disabled men.

The CHAIRMAN: I do not believe there would be any difficulty in this country in getting large subscriptions for the establishment of homes of that kind, if it was thought advisable to do that.

Mr. NESBITT: I do not think you should ask the people to subscribe. That is a matter for the Government to provide.

The CHAIRMAN: I am just making the suggestion. There will be people in different parts of the country who may want to do this as a private matter. If they do they should not be discouraged.

Mr. MACDONALD: You could get the necessary amount at once. A very much larger subscription than $50,000 could be secured if there were a campagn for a

APPENDIX No. 4

Canadian institution. The only importance of this matter to us as a Committee is that if there are to be soldiers' homes, it would solve some of our problems with reference to a pension for the totally disabled.

The CHAIRMAN: It would solve this question of paying for an attendant.

Mr. MACDONELL: Before we consider the question of pensions at all we have to decide whether we are to have this Home or not. If we are going to have Homes, it will eliminate from the pension the need for maintenance and care of the men.

The CHAIRMAN: Suppose we say that there shall be something allowed for an attendant; in the event of the pensioner becoming an inmate of the Home established for disabled soldiers or seamen, this allowance should not be paid. It will take a long while to work all these details out, perhaps a year or two.

Mr. NICKLE: Can we not handle it best by dealing with it as a financial problem, and letting the Military Hospitals Commission make such arrangements later on? We may give the aid, and if they found soldiers' homes they can make arrangements with pensioners as to what they shall pay.

The CHAIRMAN: I think we had better find out what the Commission will do. Perhaps Mr. Scammell could tell us.

Mr. NESBITT: Mr. Dobell can tell you all about it.

Mr. MACDONALD: My view is that some occasion ought to be taken to let the Canadian public know, before they rush to subscribe to the proposed English fund, that a Soldiers' and Sailors' Home in Canada will, in all probability, be a necessity, and it is for them to consider whether their subscriptions should not be reserved for Canadian Homes.

Mr. MACDONELL: As we have no navy, and as we have a seamen's fund, we have no other seamen to take care of. If we establish a fund in England, we are simply establishing a home there for English soldiers. It is a praiseworthy object.

The CHAIRMAN: There is a letter here from Colonel Belton giving his idea regarding the different degrees. (Letter read and discussed by Committee.)

(7) "DEPARTMENT OF MILITIA AND DEFENCE,
OTTAWA, March 29, 1916.

To the Hon. J. D. HAZEN,
Chairman of Committee on Pensions,
House of Commons,
Ottawa, Ont.

Degrees of Pensions.

SIR,—In compliance with your directions, I have the honour to submit the following to replace subsections of Article 641, Pay and Allowance Regulations, Canadian Militia:—

(*a*) The first degree shall be applicable to those who are rendered totally incapable of earning a livelihood as the result of wounds or injuries received or illness contracted on Active Service, during drill or training, or on other military duty.

(*b*) The second degree shall be applicable to those who are rendered in an extreme degree incapable of earning a livelihood as a result of injuries received or illness on Active Service, during drill or training or on other military duty.

(*c*) The third degree shall be applicable to those who are rendered in a material and marked degree incapable of earning a livelihood, as a result of injuries received or illness contracted on Active Service, during drill or training, or on other military duty.

(*d*) The fourth degree shall be applicable to those who are rendered in a material but limited degree incapable of earning a livelihood as a result of

injuries received or illness contracted on Active Service, during drill or training, or on other military duty.

(*d*1) The fifth degree shall be applicable to those who are rendered in a small degree incapable of earning a livelihood as a result of injuries received or illness contracted, on Active Service, during drill or training, or on other military duty.

I have the honour to be, sir,
Your obedient servant,

(Sgd.) C. W. BELTON, *Lt.-Colonel,*
Member of Pensions and Claims Board."

The CHAIRMAN: The first degree (*a*) combines *a* and *b* in the existing scale. It eliminates the distinction between injuries received in the face of the enemy and those received during drill or training or on other military duty.

Mr. NESBITT: What is the necessity for "on active service, during drill or training, or on other military duty," would not active service be sufficient?

The CHAIRMAN: I presume that is to draw the distinction between messengers, elevator men and other officers of the Militia Department who are engaged only in what might be termed ordinary civil employment and those who are in the active militia.

Mr. NESBITT: Is not the man who enlists and goes to camp as much on active service as the man who actually sees service in the face of the enemy. Ought not the words "active service" cover it.

Hon. Mr. OLIVER: My idea is that we should deal with the men on overseas service in this war only in preparing a scale of pensions. We do not want to make the scale for the government of the militia after the war is over.

Mr. MACDONALD: The men we want to deal with are those who are known as the Canadian Overseas Expeditionary Force, and we want to deal with them from the time they enlist until they come back, no matter what they are doing.

The CHAIRMAN: Would it not be better, having heard the suggestions in Colonel Belton's letter, to get either Colonel Belton or some other officer of the department here and discuss the various questions arising out of the proposal to divide the schedule into five degrees. It seems to me that in every case of this kind you will have to trust something to the judgment and good sense of the men who are appointed to administer the regulations.

Hon. Mr. OLIVER: Do you not think that the definition of each of these degrees should contain an illustration of the nature of the injury intended to be covered by that degree, and that it should be understood that that illustration should have the effect of a rule as to what constitutes disability under that particular degree? That is to say that in the case of total disablement, for instance, the injuries that would constitute total disablement would be specified, in a general way. Of course that would not cover all the cases that would come under that classification, but it would be a guide as to the interpretation to be put upon it.

The CHAIRMAN: That is one of the things that will have to be worked out but, as I say, in every case of this kind you have to rely to some extent upon the judgment of those who are administering the regulations.

Hon. Mr. OLIVER: But you must give them some rule of guidance, not absolute perhaps, but something so that there will be no dispute, and a general understanding as to what is the intention. If you leave it to the man who is dealing with it, that takes it out of our hands and leaves room for an interpretation to be placed upon the regulation which may be totally at variance with our intention in making this scale.

Mr. MACDONALD: We have got to consider whether we are going to follow the American system, and that is wrapped up with the question of degree.

APPENDIX No. 4

Mr. W. M. DOBELL, called and examined.

By the Chairman:

Q. You are a member of the board that is dealing with the Canadian Convalescent Homes?—A. Yes.

Mr. NESBITT: Inform Mr. Dobell we want to find out just how far the Hospitals Board are going with their work.

By the Chairman:

Q. We wanted to get some idea what the Hospitals Board are doing, and if they are taking any action with regard to homes for men who come back injured from the war; I do not mean convalescent homes, but real permanent homes?—A. There has been no suggestion made yet of starting any permanent home for totally disabled men. The experience on the other side, I find, is that the percentage of totally disabled men is extremely small when you come down to the actual figures.

By Mr. Macdonald:

Q. You have seen the book explaining Dr. Amar's system and showing how the so-called totally disabled soldiers are being dealt with by the French Government?—A. Yes, I have seen it. Out of the men who are sent to Dr. Amar, and who are presumed to be all totally disabled and incapable of doing anything, he makes 80 per per cent partially self-supporting, so that the percentage of those who have to be treated as totally disabled is very small. Now we feel the danger is that if a home were established where men would be kept permanently doing nothing, there are always a great many malingerers and idlers who want to do nothing if they find they can do so. The only provision in France—and when I say that there are over 50,000 men in that country with mutilations and disabling wounds, it means a good many—the only provision they have got there is the Hotel des Invalides, in Paris, which has been in existence for a good many years, and they have not had to increase their accommodation. Any small number of men who have not got homes and are totally disabled are sent to the Hotel des Invalides.

By Mr Nickle:

Q. What do you mean by the expression, "totally disabled"? Take for instance a man who is a telegrapher and has lost both legs. Would he be considered totally disabled?—A. No, because he still could earn a certain amount.

Q. Here they tell us they have beeen using the term "totally disabled" as being a man incapable of earning his living at manual labour. Do you put any such construction on it?—A. There is room for a little misunderstanding there, I think. A man who lost both legs would be considered totally disabled, and he would get the "totally disabled" pension. But after treatment he would not be totally disabled. That is to say, that man would not have to go into a home and stay there for the rest of his life.

Q. He has still got his vocation?—A. He has still got his vocation. I do not know whether you wish me to proceed with my statement or give you information in reply to questions.

The CHAIRMAN: We would prefer that you go on.

Mr. DOBELL: The great trouble they had in France—that is to say Mr. Herriot, Mayor of Lyons, who was the first to start this training, and Doctor Bourillon, of the National Institute at St. Maurice, near Paris—the great difficulty they had at first was to get any men to take the vocational training. It was not clear that the men's pensions would not be reduced in proportion to their earning capacity, and therefore those men would do nothing until they were allotted definitely their maximum pension.

By Mr. Macdonald:

Q. Pension for life?—A. Yes, for life. Now the French Government made an official statement that when a man was allotted his pension that would not be interfered with no matter what he earned afterward. The pensions are allotted on the percentage of physical disability estimated in their own labour market. That is to say, the human body is treated as a machine.

Q. That is the French basis?—A. Yes. The English basis is different. In England, when a man goes back with the loss of a leg, or a disabling wound, he is granted a temporary pension. At least the Government calls it ten and sixpence a week pension, and fourteen and sixpence a week subsistence allowance. Now, at the end of six months that man is "boarded" again, and if he is found to be earning sufficient to make up to 25 shillings a week, his pension is cut down. That is to say if he is earning ten shillings a week, then his pension is made fifteen shillings, the intention being to guarantee a man always a minimum of 25 shillings a week.

Q. His earnings are deducted from the maximum amount?—A. Yes to the extent of ten and sixpence a week. But the ordinary Tommy looks upon that 25 shillings a week as a pension entirely. He does not divide it in his mind as the Government does, and the consequence is that the great majority simply sit back and say: "I am not going to earn anything until my 25 shillings a week is allotted" the result being that many of these men are so demoralized by idleness that their capacity for earning at the end of the time is very seriously interfered with.

By Mr. Nickle:

Q. You prefer the French system?—A. I do, and that is the Belgian system also. The same thing has arisen under the Ontario Commission in regard to securing employment for the wounded soldiers. Several of them thought they would lose their pensions if they worked and therefore did not want to take up any occupation.

The CHAIRMAN: It puts a premium on idleness.

Mr. DOBELL: Exactly. It is putting a premium on idleness. I came across a case myself in the Soldiers' and Sailors' Help Association workshop. That is an institution which is entirely self-supporting, and they employ not only disabled soldiers and sailors but also their wives and families. In that way they do a great deal of work. I saw a man there who was working in the basket room. His leg was off at the thigh and he had been allotted 25 shillings a week. Just a few days before I saw him he had been notified that his pension had been cut down ten and sixpence a week because he had gone into this Association, had learned a trade and was earning a good wage. Thirty shillings a week is a good wage in England. That man said to me: "You see, sir, if I had sat back like some of my pals and done nothing and drunk beer I would have got my 25 bob, but now they are going to cut me down ten and six."

By the Chairman:

Q. The French and Belgian idea is that when a man has served his country and been wounded he is given a pension. That is something that is due to him from the State?—A. Exactly.

Q. For the service which he has rendered?—A. Exactly.

Q. And it makes no difference what he may do afterwards, he is entitled to that for the rest of his days?—A. That is it.

Q. And if he has the energy to go to work and earn more money those earnings are not interfered with?—A. No. At the Christmas Examination at the Lyons Home there were 38 men went up for examination in bookkeeping, stenography and other clerical work. Everyone of them passed, and everyone of them got good situations before they left; and the superintendent told me that the majority of these men were earning more than they had ever earned in their lives, but they were still getting their pensions.

By the Chairman:

Q. Are the pensions in France as large as they are in Great Britain?—A. No, they are not. I have a copy of the French pensions, but it is at the Military Hospitals Commission's office.

By Mr. Macdonald:

Q. It would be most desirable to have that information?—A. I think Mr. McLennan is having it translated. I brought back a good deal of literature in French which is being translated.

By the Chairman:

Q. Do you remember what the French pension is for a private soldier totally disabled?—A. A totally disabled man can get 965 francs a year, I think.

Q. That is about $180 a year?—A. About $190 a year.

By Mr. Nickle:

Q. How does that compare with what an ordinary man could earn per year for unskilled manual labour in France?—A. It is less.

Q. Much less?—A. I think I have some figures on that. I think it is about a quarter less, a third to a quarter less than a man would ordinarily earn.

By Mr. Macdonald:

Q. Mr. Dobell, you spoke about the totally disabled percentages being very low, and attributed that to the development of the Amar system. That is due, of course, to the peculiar conditions as to the development of that system in France. Do you feel that that could be worked out in Canada in a systematic way to bring about the same results?—A. The Belgians are doing exactly the same thing. They got a hospital fixed up on this Amar system. One of these Belgian doctors studied with Dr. Amar about four months.

By the Chairman:

Q. Has your commission given any attention to the establishment of a system of that kind in Canada?—A. Yes, and they recommended, Mr. Hazen, that a central depot, preferably in Toronto, should be established for the making and fitting of artificial limbs. At present artificial limbs are being supplied all over the country, wherever a man happens to be. I was in Edmonton the other day, Mr. Oliver, and met a man who had an artificial arm that pained him. It had been made in Toronto. I have an artificial arm myself, and know how necessary an accurate fitting is. People say that these men will object to being kept away from their homes for two, three, four or possibly six months in some cases, but if you are going to limp all your life with an artificial limb you want to get that artificial limb in the first place properly made, and three or four months away from home does not make any material difference. My recommendation is that these artificial limbs should be supplied at some central point in Canada, preferably, I think, Toronto, where the best surgical and orthopedic treatment can be given, and where the men, while waiting for their limbs, can be trained on the system without impairing their time.

Q. Special vocational training?—A. Yes.

By Mr. Macdonell:

Q. In France, the totally disabled man would get $192 in our money. There is no deduction made from that in case of partial recovery?—A. None whatever.

Q. Is there any deduction if he goes to a soldiers' refuge or home?—A. For vocational training, do you mean?

Q. Yes.—A. In France they have about fifty of these vocational training establishments. They are all getting a certain grant from the state, but they are being started by the districts or the towns in different centres in France with a certain amount of private assistance, and then the state practically comes and makes up what they have to make up.

Q. Do they charge the soldier a certain amount for maintenance?—A. I was going to say that, in Lyons the state allows them three francs 50 centimes per day per man. They give the man 1 franc 25 centimes per day. They keep him in every way, they teach him his trade, and while he is in there his wife gets his pension and he gets 1 franc 25 centimes which he can send to his wife or use as he likes. But out of the 3 francs 50 centimes which the state allows, they give the man 1 franc 25 centimes; and it costs them about 5 francs. The balance is made up by the city and by private subscriptions.

Q. The soldier is charged nothing?—A. Nothing at all.

Q. So starting out with the class of total disablement, a soldier in France would get a permanent pension amounting to about $190 per annum, that is no deductions are made from that either in case of his partial recovery or for his maintenance in these homes or educational establishments?—A. Soldiers' homes?

Q. I meant the school.—A. There are no soldiers' homes except the Hotel des Invalides.

By Hon. Mr. Oliver:

Q. Who pays for the artificial limbs?—A. The state, and it keeps them in repair.

Mr. MACDONELL: No deductions are made?

By the Chairman:

Q. Are there no homes for men who are unable to take care of themselves?—A. That is what I have tried to explain, sir. The percentage of those cases is so small that it has not been found necessary to increase the accommodation in the Hotel des Invalides, which has been in existence for a great many years; and the men who are totally disabled either go to their own homes and are taken care of by their pension with their people, or they go to the Hotel des Invalides.

By Mr. Macdonell:

Q. Are they allowed anything for an attendant in the Hotel des Invalides?—A. No, they are not.

By Mr. Macdonald:

Q. Do you not think there is a difference in the climatic conditions of France and Canada? They do not have the severe winter conditions that we have here. In Southern France, for instance, the conditions of life would be very much different?—A. Yes, and living is very much cheaper.

Q. The winter problem makes the situation more serious in Canada, more even than it is in the mother country or the United States?—A. There is a point to be brought up, that in France there is as yet no uniformity. All these different establishments are more or less run on their own lines. I have described the system in Lyons. There are other homes. There is a home in Paris where they have both "living-in" and "living-out" patients. If a man lives, out, he lives at his own

home; he goes to school in the morning, he gets his dinner there; and he is paid four francs a day. Now, in a home where he lives in, under the same management, he is found in every way, and he gets paid nothing except his proportion of the proceeds of what he makes. I should say that in all these places the men are paid the proportion that is received for the work that they do.

By Mr. Macdonell:

Q. In addition to his pension?—A. Yes. The Belgian Government established a training school at Vernon, between Rouen and Paris. They only opened up last August, and by January they had repaid to the Belgian Government the entire capital cost amounting to 750,000 francs. They had paid that back to the Belgian Government out of the proceeds of the work done.

Q. It is conducted on the co-operative principle?—A. Of course, they worked very largely for the war office; they made things required for the country. But at the same time they supplied these goods for very much less than the country was paying for them in the open market. Munitions, for which they were paying thirty francs apiece in the United States, that is to say they paid that to the American manufacturers for them landed at Havre, Bordeaux or wherever they get them, they were able to deliver to the Belgian War Office at ten francs each, and then they made 28 per cent profit at that price. They make all their own tools, and all the tools that the Belgian War Office requires. They also teach 43 different trades in that place, it is a very remarkable establishment, but of course there are conditions in connection with it which do not exist in this country. The principle one is that the entire population of Belgium is mobilized. Therefore if they want a professor or instructor in any trade they simply take the commercial directory of Belgium, look up the list of that trade, pick out the man they want, find out what regiment he has been sent to, and they simply send word to his commanding officer to send him there. That man has to come, and no commanding officer can interfere with the call to that man. His pay is 43 centimes a day, that is four pence halfpenny, and I saw a man teaching modelling in clay there who had the largest atelier in Brussels before the war; I presume he would be called an artist of the very highest class, and, yet, that man was working training these men at four pence halfpenny per day.

By Mr. Nickle:

Q. Granting that a man was totally disabled and helpless, would you be in favour of granting an additional allowance for an attendant?—A. Do you mean a man that is absolutely unable to work, to do anything?

Q. Oh, yes?—A. Well, for the man who has not a home, if there is a sufficient number of those men to warrant it there should be homes established.

Q. But assuming that there is not a sufficient number of men of that class to justify establishing homes, taking it for granted that a man is totally disabled, he cannot look after his creature comforts, should he get an additional allowance for an attendant?—A. Certainly.

By Hon. Mr. Oliver:

Q. What is your idea as to the amount of such an allowance? How would you adjust such allowance?—A. Well, Mr. Oliver, I cannot say that I have given any thought or looked into the question of figures on that point. But for the man who is absolutely and totally disabled you have either to get a private home or else give him such an allowance as will enable him to live.

By Mr. Nesbitt:

Q. Enough to enable him to provide one for himself?—A. Yes.

Mr. NICKLE: There will be a lot of men totally disabled, that is unable to earn a living, but there is another class who are totally disabled and cannot even help themselves.

Mr. NESBITT: I would start out with "total disablement and helpless," and then grade the degrees down.

By Hon. Mr. Oliver:

Q. Take the case of a man who has lost both hands, or is totally blind?—A. The blind man presumably would go to the blind asylum.

Hon. Mr. LEMIEUX: He is not necessarily totally disabled, some blind men are able to help themselves.

Mr. MACDONALD: In order to do so he would have to get some training.

By Hon. Mr. Oliver:

Q. Would you give that man a pension with an extra allowance that would enable him to receive that attention which he needs?—A. A blind man who has been trained is perfectly able to look after his comforts.

By Mr. Nickle:

Professor Malloy is blind, and he is now teaching in Queen's College?—A. The blind are well looked after at the Blind Institute in Paris and also at Dr. Pearson's place at St. Dunstan's, London, but fortunately the percentage of totally blind men is very small. The total number in the British army up to February was 140 or 143, something like that.

By Hon. Mr. Oliver:

Q. I have been given to understand that the percentage of blind in this war is very large?—A. No, the totally blind men are not large in number, a lot of them have lost one eye or have had their sight damaged.

Q. I understand that there has been a great deal of damage to the eyes by gas and many people have been blinded. Would you or would you not allow a totally disabled man an allowance for an attendant?—A. No, I do not think he ought to have one.

Q. Would you allow a man with both hands off an attendant?—A. Well, I think a man with both hands off should be given the maximum.

Q. That is your opinion, he should get the maximum amount?—A. Yes.

Q. Should he get any allowance for attendance in case he was not in a home?—A. That all depends upon what you are going to base your maximum on. If you are going to base it on total incapability for doing anything for himself he should have the maximum amount.

Q. The basis of disablement must be the inability to earn a living, that a man has no earning power?—A. That is physical disability.

Q. Yes. Supplementary to that we are asking if you would consider it might be well to give an allowance for attendance where a man was not able to attend to himself?—A. Yes, I should say so.

Q. When the man went to a home would you give him an allowance for attendance in addition to his pension?—A. No.

By Mr. Macdonald:

Q. There seems to be a line of demarkation in the system that we had here in the past, where we set out certain degrees under which each man who comes on the pension list is assigned to one of these degrees or classes. The practice has been to assign the pension to a man according to the rank to which he belongs, within that degree?—A. Yes.

Q. In the consideration of this question personally I have been struck by the American system which provides a certain definite amount for a man who has lost a leg or has suffered any other injury that permanently disables him in some particular?—A. Yes.

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Q. Looking at the question purely from the standpoint of the desirability of working out some definite system that would meet all cases, do you think we should provide that the pension should be according to the particular degree, or that if a man had suffered from some particular disability such as I have mentioned calling for special consideration that he should have a special allowance made for that?—A. I think that the Pensions Board, or whoever is going to handle it, should have a certain amount of discretion in handling this thing.

Q. You do?—A. Yes, I do, I do not think we can make an absolutely hard and fast line on any of these degrees.

Q. Under the existing situation we have the first degree for a man who is totally incapable of earning a livelihood as a result of wounds received in the presence of the enemy, and there is a distinction drawn between the totally incapable man who is injured in the presence of the enemy, and the man who has received his injuries on active service during drill or training. There is a distinction drawn between these two classes?—A. Yes, I know.

Q. Then there are two other classes. The third degree applies to the man who has been rendered materially incapable, while the fourth degree applies to the man who is rendered incapable in some small degree?—A. Yes.

Q. And then the regulation provides that where a man's injury is serious enough to render necessary the constant service of an attendant, there is a compassionate allowance in that case, a distinction being drawn, however, between a single man and a married man.—A. Of course, where a married man is drawing an allowance for his wife he would not require an attendant.

Q. But before getting down to the particular item, I wanted to get your opinion, from your study of the question, as to whether or not the prudent thing for us in Canada to do would be to maintain the allocation of those injured people into some one or other of these different degrees with a fixed amount, apart from this compassionate or special allowance? Would that be a proper thing for us to do?—A. You mean a payment of so much for the loss of a leg or a hand?

Q. That is the American system. Under our system the totally incapable man gets so much if injured in the face of the enemy, and he gets more than the man who is rendered totally incapable by injury while at drill or training. You would not make that distinction?—A. I think a man should get his pension on the physical disability he has suffered.

Q. No matter where he got it?—A. No matter where he got it.

By Hon. Mr. Oliver:

Q. No matter how it affected his earning position as it existed before he was hurt?—A. No.

By Mr. Macdonald:

Q. Would you have pensioners placed under these different degrees, or would you pay them according to the specific injury suffered? That is a proposition we have got to consider. Do you follow me?—A. I do not quite gather your meaning.

Q. I will try to make it clear to you. There seem to be two different systems. There is the one which we have followed in Canada hitherto and which we are now considering?—A. Yes.

Q. As to whether we should place every pensioner in some one or other of different degrees, as they are called?—A. Yes.

Q. In other words, into different classes, the amount the man receives varying according to his capacity. Would you advocate the continuance of that system, or would you adopt the American system which does not classify a man generally in that way but says that if a man loses his hand, his arm, his eyesight or his legs, he should be paid so much for each specific injury?—A. Yes, that is my view.

Q. You say that is your view?—A. Yes. The injured man should be paid so much for one eye and so much for two eyes. So much for one hand and so much for two hands.

Q. Then from what you say, the man should be given a pension according to the injury he received?—A. Yes.

Q. The matter should not be one of general classification?—A. No.

By Hon. Mr. Lemieux:

Q. Would you have about the same scale in Canada as in the United States on that basis?—A. I have not studied the American Pensions Scale, Mr. Lemieux.

The CHAIRMAN: The American scale is allotted on that basis. The total disability scale is high.

By Hon. Mr. Lemieux:

Q. Do you think the French Government's allowance to the disabled soldiers is generous?—A. I think the general feeling over there now is that the Government are treating the men fairly. They did not at first. To begin with, they refused to supply artificial limbs.

By Mr. Macdonell:

Q. That should be done in every case, should it not?—A. Certainly, not only to supply the limbs but to renew them when necessary.

By Hon. Mr. Lemieux:

Q. In England do they supply artificial limbs?—A. They do. In England there is a central depot at Wolverhampton. They have made contracts with a number of firms, chiefly American firms, for the making and fitting of these limbs. In France, to get the requisite output of all the artificial limb makers in the country, a different plan was adopted, and they have gone on the principle of supplying the very simplest limbs they could. I have covered all that in a report I made when I came back.

By Mr. Macdonell:

Q. Is your report available?—A. Not yet, it is being printed.

Mr. NICKLE: Whether you divide the men into a class and give them so much or not, the board in charge will work out their own rules and regulations.

Mr. DOBELL: The point I want to make is this: I think the body should be treated as a machine and the damage to that machine should be paid for.

By Mr Nickle:

Q. But whether this Committee develops rules to govern the payments, or whether you leave the Pensions Board to work out the scheme, the result will be about the same? —A. Yes.

Q. It is a question of method, not of results?—A. Exactly.

By Mr. Macdonald:

Q. What do you say in answer to the proposition that the man who is injured ought to know that he is going to be entitled to a definite amount? Don't you think it would be an unfortunate scheme if we settled a pension scheme under which John Smith would get a certain amount of money, and William Jones got a certain less amount? In that event there would be continual complaint about discrimination, whereas if the matter were classified in some way so that if the men who were rendered totally incapable or materially incapable, no matter how that incapacity arose, they would be all on the same footing, there would be no such complaint. That is one of the things we want to look at.—A. Certainly, but would not that work out?

Q. But you see in that case you leave the discretion of the thing to the Pensions Board, and while I assume any member of that board would exercise his judgment, yet the very argument you make with reference to the condition of the man in France applies. The man knows he is going to get his money and when he goes out and improves his position it is only going to be so much more in his own favour.—A. Yes.

Q. That is an argument in favour of the certainty of an allowance in Canada also?—A. Certainly.

Mr. NICKLE: The method does not affect the allowance, does it?

Mr. MACDONALD: No, but we have got to fix the allowance.

Mr. NICKLE: Would not the Pension Board do that under their groupings.

The CHAIRMAN: The degree system gives a little more elasticity.

Mr. MACDONALD: That is the point.

The CHAIRMAN: The question is whether it is desirable that shall be adopted or not.

By the Chairman:

Q. Under the American system a man gets so much if he loses his hand. Might there not be a difference in the way the man has sustained the injury, whether the arm was cut off near the elbow or further down? That would have some bearing on the question of the man's incapacity and the payment he would receive, would it not?—A. Of course, under the French scale there is a payment of so much for arms taken off here (indicating) and so much for arms taken off above that.

Q. Taking a man's arm off above the elbow might make a difference. Then is there not a difference also in the way the wound takes place? The wound may be a very ragged one necessitating more difficulty in affixing an artificial limb.—A. Then another operation would have to be performed so as to make a clean stump.

By Mr. Macdonald:

Q. Under the American system the scale of payment starts at the ankle and goes up to the shoulder.—A. Under the French system it starts at the joint of the finger.

By Mr. Scott:

Q. The French system appears to be based very much on the same lines as the American.—A. It would appear so. You see it would not make any very considerable difference if my arm were taken off there (indicating) or two inches below the elbow. I should still have my elbow joint.

By Mr. Nickle:

Q. That is the determining factor, is it not, whether you have got the joint?—A. I have seen a man using a wheelbarrow, and that kind of thing, with a straight arm that simply hangs from his shoulder. He could hook on and wheel his barrow. It makes all the difference whether you have got your elbow joint or whether you have not. It is just the same way with the leg. If your foot is off below the knee, I venture to say in 75 cases out of 100 you would not realize it so far as actual inconvenience is concerned.

Q. You can get on with the knee joint?—A. Certainly. A man can do anything; he can skate and dance and do all kind of things.

By Mr. Macdonald:

Q. Under this Amar system?—A. Of course, they only send the very worst cases to Dr. Amar.

By Mr. Nesbitt:

Q. Where to?—A. To Dr. Amar in Paris.

Mr. MACDONALD: Here is the way the thing goes in the United States. Apparently they have no degrees. They start with "Loss of both hands, Loss of both feet, Loss of sight of both eyes, Loss of sight of one eye, the sight of the other having been lost before enlistment; Loss of one hand and one foot, Loss of a hand or a foot, Loss of an arm at or above the elbow, or a leg at or above the knee." They trace the whole thing in every department.

Mr. NICKLE: How do they deal with organic troubles, such as injuries to the lungs?

(At this stage the witness produced the official publication dealing with soldiers' pensions in France.)

By Mr. Macdonald:

Q. I would like to get your judgment on this subject in view of the discussion. As I gather it, the French system provides for proportionate injuries, beginning with hands and feet. The American system does the same thing. I gather that you are rather sympathetic towards the French idea?—A. I am.

Q. The advantage of that is that there is a definite payment, and a man knows what he is going to get. The system in force in Canada hitherto is one in which every man is put in a class, not a class according to his injury, but according to his incapacity. And the matter for our consideration—the matter that is concerning me more particularly—is whether my judgment would favour the adoption of the American and French system of definite allowances according to the individual injury, or whether the whole thing should be put into a question of degree which would be determined in some way afterwards, irrespective of the question whether the man is injured or not?—A. I would favour the French and American methods.

By Mr. Nesbitt:

You would favour the American system, of so much for an arm and so on?—A. Yes, sir.

Mr. NICKLE: But still maintain degrees?

Mr. SCOTT: That would do away with degrees.

By Mr. Macdonald:

Q. For instance, one man in losing a hand, might receive a shock to his system. Another man would only suffer for the loss of a hand. How do you do in cases of that kind?—A. Well, that makes rather a complication.

Mr. MACDONALD: No two cases are alike. There will be many complications of that kind in the different degrees.

Mr. NESBITT: Would there not be accorded to the man his regular militia allowance until he recovered from the shock?

Mr. MACDONELL: That is another point: whether the degree shall be eliminated, as I understand it.

Mr. MACDONALD: The question is whether the basis should not be an allowance in accordance with what has happened. A man has his hand taken off: he knows he is to get a certain amount in that event. The question of his capacity or incapacity is not considered at all. He makes his proof; the Claims Board says: Your hand is off, and you get so much.

Mr. MACDONNELL: He might have other disabilities.

The CHAIRMAN: I would ask the Committee to excuse me as I have another appointment.

Mr. Nickle took the chair as Acting Chairman.

APPENDIX No. 4

By the Acting Chairman:

Q. That is the case of the man wounded in the head?—A. I think the man who has lost a limb, and has also suffered in another way, of course, he would have to be considered.

Mr. MACDONNELL: There would have to be a class applicable to him.

Mr. NESBITT: I do not think you can define this thing too closely. The Pensions Board must have some discretion.

By Mr. Macdonald:

Q. What do you think about this matter being entrusted to the consideration of a non-partisan, high-class board?—A. I am entirely in favour of that. I spoke to Sir George Perley about that in London three months ago. I think it is the only way to do it.

By Hon. Mr. Oliver:

Q. If you have a board such as——?—A. The Railway Commission.

Q. A fixed appointment?—A. Yes.

Q. Would you have it so that there was no possibility of recall of such a commission?—A. Only so that they could reconsider the thing themselves, nobody else.

Q. Supposing there is a board appointed, consisting of three men, who are given judicial powers and judicial jurisdiction like the Railway Commission. Now, supposing some of these men do not turn out right, what would be your means of disposing of them?

Mr. NESBITT: They would have to be dismissed for cause.

The WITNESS: You can only dismiss a member of that board for cause.

By Hon. Mr. Oliver:

Q. The point is that this board is simply removable at the discretion of the Government?—A. No, no, I would not do that at all.

Hon. Mr. OLIVER: On the other hand, if you take away that discretion on the part of the Government, you are liable to be landed with a board that may turn out bad.

By Mr. Macdonald:

Q. What do you think of this solution, Mr. Dobell: That the leaders of both political parties should consult as to the composition of the board, if it is to be non-partisan, and then having the advantage of that conference three capable men could be appointed and their appointment would be permanent?—A. It seems to me a very poor thing for this country if we cannot pick out three men who will be satisfactory; and, personally, I think both parties should be represented on it.

Mr. MACDONALD: I think that a conference of the two political leaders would largely obviate the difficulty.

Mr. NESBITT: Would the recall rest with the Government or with Parliament?

The ACTING CHAIRMAN: With Parliament as in the case of the Civil Service Commission.

The WITNESS: And as with the Railway Commission too.

By Hon. Mr. Lemieux:

Q. The Railway Commissioners are appointed for ten years. Would you appoint professional men on this proposed board?—A. I think there should certainly be one who would be a lawyer.

By the Acting Chairman:

Q. And a doctor, too?—A. Not necessarily.

By Mr. Macdonald:

Q. The board would have its officials?—A. Certainly, you have the entire medical department to call upon. I think we want more of, I may say, horse sense than professional skill.

Q. Absolute impartiality and fairness?—A. I think there should be one professional man.

By Hon. Mr. Lemieux:

Q. I notice in glancing over this *Guide-bareme des Invalidités* published by the French Republic that it covers pretty nearly all the cases that present themselves during the war. In your report to which reference was made a moment ago, do you analyze this Guide?—A. No, Mr. Lemieux, I did not, and chiefly for this reason: that the Hospitals Commission, as constituted, had no jurisdiction over pensions at all. I got what information I could about the thing. I worked out my report for the Hospitals Commission, and we had nothing to do with pensions.

By Mr. Macdonald:

Q. You do not report specially on them?—A. I refer to pensions in order to get the suggestion of the board; and as one of the bases on which the pensions should be fixed, because I found it so very important on the question of re-education of the men. But I did not feel, as a member of the Hospitals Commission, that the bases of pensions came within our jurisdiction at all.

Mr. MACDONALD: You did not want to go outside of your purview?

By Hon. Mr. Lemieux:

Q. I would suggest to the Committee that a synopsis of this Guide be prepared, because it gives an idea of what the pensions are in France, and it seems to be very complete?—A. It is very complete.

Q. And it covers every bit of the human body?—A. You can get more copies of that, it is a Government publication.

By Mr. Macdonald:

Q. Do you not think, Mr. Dobell, that we cannot hope to have such a very low percentage of people, as they have in France, where they have the advantage of the Amar System, that would absolutely have to be looked after? There are a great many men who have volunteered and gone to the front who are forty years of age. You take the man who has come to the turn of life, are we not apt to have that man, under our climatic conditions which are very much more severe than they are in France, with our long winters, ought we not to look forward to the establishment of homes for the accommodation of those men?—A. I hope not.

Q. You hope not?—A. Yes, I do.

Q. How do you think we are going to obviate it? In the first place there is a great scarcity of medical men who have gone to the war, at least there is a great scarcity in my province and there is no chance of the Amar system being established here. They have found it necessary to make special provision in order to meet the need of medical men in my province. Now, as I say, there is no hope of establishing that Amar System in Canada, and if we do not have it what are we going to do with the man who comes back here and is not able to look after himself?—A. Well, I think the percentage of disablement is very small and the percentage of those totally disabled who have not somebody to look after them is still smaller.

Q. I am bound to say I do not agree with you about that. You have come from France, which is the home of surgery, where the conditions are entirely different and where they prepared for the war and for the situation which has arisen in consequence

of it. We have not provided anything like that, we have not awakened to the necessity of the case at all and then again the Amar system does not provide so much for the training of these men as it does for the provision of limbs?—A. It trains them as well.

Q. I know, but we have nothing in Canada which makes the provision for these men that the Amar system does?—A. They have a wonderfully good plant in Toronto, I was there the other day.

Q. In what?—A. In that convalescent home there, they have four or five rooms extremely well equipped.

Q. For what purpose?—A. For teaching these men.

Q. I am drawing the distinction between vocational training. Take the case of a man who has lost his legs, and that illustrates the point I am making, the Amar system fixes him up, provides him with an equipment by which he can go out and, say, run a typewriter, or do a lot of things, but we are a long way from that yet?—A. We are nearer to that than most people think, nearer than they are in England.

Q. In England?—A. Yes. I am not speaking of the technical school at all, but of the instructional school at Toronto where they have the convalescent hospital and where they have means for improving the capacity of the mutilated men, the "mutilés," as the French call them.

Q. A place for the adjustment of mechanical appliances and the teaching of vocational work?—A. Well, the adjustment of mechanical appliances is not centralized yet. That is what should be done, we should have that work centralized so that when a man lands at Quebec, having lost his leg, there should be no question as to where he should go, there should be a central place to which he could be sent and receive immediate attention.

Q. You recommend that in your report?—A. Yes.

Q. You recommend something that approaches the Amar system?—A. Yes.

Q. And you say you hope to be able to do something along that line?—A. To enable these men to earn a livelihood to some extent.

Q. I am very well acquainted with the proposition regarding vocational training, but it struck me looking over that book that it was largely a medical institution in the way of fitting mechanical appliances to men who were wounded, in conjunction with the training. Now, that is what you hope to do, you say?—A. That is what I hope to do if we centralize the whole thing.

Q. Then you say you believe in the hospitals, you hope to be able to work out vocational training, to provide something similar to the Amar system in Canada. Now what do you say we ought to do in regard to pensions? To fix a pension irrespective of whether they improve themselves or not?—A. Yes.

Q. You would make no reduction at all on account of a man's improved earning power?—A. Absolutely no reduction. But as regards us taking care of totally disabled men Mr. Lemieux will bear me out that in Quebec there are places where they could be looked after. Supposing we had two or three dozen disabled men in Quebec who cannot take care of themselves, there is the St. Bridget's Asylum, and we have our Protestant Home. These men should be taken care of.

Mr. NESBITT: In my town there are dozens of people who can be found to take care of disabled men and who would be glad to take care of them for a small amount. I know of one case, that of a man who was injured in a railway accident, and who has been unable to move for five years now, and who has been taken care of by one family at a very low cost all that time.

Mr. MACDONALD: At what cost?

Mr. NESBITT: Three or four dollars a week.—A. I thing the idea of starting a soldiers' home would be a mistake, it is going far to put a premium on idleness.

By the Chairman

Q. Have you any ideas with regard to the spread between the pensions to officers and privates?—A. Mr. Darling's idea was that the officers' pension would bear a little paring down and that the men's pensions wanted a little trimming up. I cannot say I have gone into that question carefully enough to express an opinion. The fundamental point, it seems to me, is the limiting of the pension to percentage of disability, an independent pensions board; and, also, it is not perhaps understood by this committee, but the time spent in the convalescent homes has a most deteriorating effect on these men. That has been absolutely proved in France and England. The system in my opinion should be the military hospital system as long as a man requires medical attendance, absolute discipline and military control. As soon as his medical attendance is completed he should come to the hospital commission, and if he does not want to take the training that we will offer him we cannot help it, we cannot force him to take it. But if he will take it then there should be a basis which will make him comfortable and look after his wife and family while he is taking that training. If he does not want to follow that course, cut him off; he will then simply have his pension. We have the obligation to make that man as near self-supporting as we can, and during the period of education he should not be worried regarding his wife and children.

Mr. Nesbitt:

Q. In the meantime his pension goes on after he leaves the convalescent home?—A. Certainly his pension goes on after he has left the convalescent home. I would prefer to call these institutions military hospitals all the way through instead of convalescent home. As long as he is there he is under the Militia Department and gets his pay and allowance. If he will take the vocational training, should he need it, we should have a scale by which a certain allowance might be made to his wife and children in addition to his pension. Of course, the man should not be allowed to squander his pension while he is undergoing this training.

Q. Suppose you supply the man with everything and pay his way while undertaking this vocational training, then his pension would go to his family?—A. Yes.

Q. There should not be any extra allowance?—A. Well, Mr. Nesbitt, supposing he is getting a small pension, supposing he is only getting a partial pension he would say: "I cannot take this. I can earn $25 a month if I work now without any vocational training. The fact that I take vocational training and get $75 a month afterwards is no good to me if my wife and children starve in the meantime."

Mr. NESBITT: That is right.

By Mr. Nickel:

Q. Would you give a larger pension to the married man than to the unmarried man for a total disablement?—A. For total disablement?

Q. Yes.

Hon. Mr. LEMIEUX: Both require the same treatment.

A. In a case of a married man, his wife will look after him.

Hon. Mr. OLIVER: Supposing his wife is an invalid too.

Mr. NICKLE: Mr. Oliver has raised the question that the single man has only himself to keeep, while the married man has a wife and family, and if there is total disablement the situation is more pressing.

Hon. Mr. LEMIEUX: A married man has his wife and children to look after.

Hon. Mr. OLIVER: His obligation is to look after them.

Hon. Mr. LEMIEUX: So the problem is a difficult one to solve.

APPENDIX No. 4

By Mr. Nickle:

Q. The term "total disablement" as it is used under our pension rules, does not necessarily mean physical helplessness. That is the distinction I make?—A. You are speaking of a man who is altogether helpless.

Q. I mean total disablement from the pension point of view. How far would you go in the giving of a pension to dependents of those who are killed? Would you extend the term "dependents" to include wife, mother, sister, brother or nephew, or would you restrict it?—A. Yes, there would have to be some restriction. That is a matter that would have to be worked out. I would not like to say to what degree of relationship it should extend.

By Mr. Nesbitt:

Q. You have not studied that?—A. No. I have not given that question any study.

By Mr. Nickle:

Q. Is there anything further you wish to say?—A. I do not know that there is.

Mr. MACDONALD: It has occurred to me, Mr. Chairman, that Sir Herbert Ames and other gentlemen connected with the Patriotic Fund might be of great assistance to us.

Mr. NICKLE: I spoke to Sir Herbert Ames the other day and he said he would be very glad to place himself at the disposal of the committee.

Hon. Mr. LEMIEUX: Miss Ellen Reid should also be invited to appear before us. I assure you, gentlemen, she is very well informed on matters connected with the subject we are discussing.

Mr. NESBITT: There is a gentleman named Clarence Smith who has been identified with charitable work in Montreal. I think we should call him as a witness.

Mr. MACDONALD: I move that Sir Herbert Ames be asked to attend the next meeting, bringing with him any person or persons whom he might select, who would give us such information as they can.

Motion agreed to.

Mr. DOBELL: I have here a copy of the *Guide-Barême des Invalidités.* I will place it at your disposal if you wish, with the proviso that it be returned when no longer needed by you.

Hon. Mr. LEMIEUX: I move that the work handed in by Mr Dobell be translated from French into English, and that such translation be entrusted to Mr. Hughes of the Debates staff. I think we should have copies of this work in both French and English.

Motion agreed to.

Witness discharged.

Colonel C. W. BELTON, recalled and further examined.

By the Acting Chairman:

Q. We have received the report you sent in to the Chairman this morning. Mr. Oliver would like to have some examples of the various types of cases that you think should come under the classes that you have constituted?—A. Mr. Chairman, I think this matter ought to have some consideration. I do not think it would be wise to say just offhand. When the original classes were established we laid down some general rules: for instance, there was a small degree; we took that as under 25 per cent. Then you see there was no degree that ran all the way from 25 per cent to the complete. We

had all the way from 25 per cent to 100 per cent, and below 25 per cent. That left, as I said before, a great bridge, and we have put in two or three classes there. Now, amongst those, I might say, we went into materially, were all men that had lost a limb. But if you would instance any particular case, I would be glad to answer it.

By Mr. Macdonell:

Q. You are laying down rules now with several sub-headings, which are to be administered by a board composed of individuals, who may have different opinions about the same state of facts, and which is to be used by every person who applies under its provisions. The desire, I think, of the Committee was this: to make it as simple as possible; to make the conditions as few as possible; and to make the thing as definite as possible, so that the Pensions Board and those receiving benefits would have a simple idea of what class they would come under.—A. This might easily go up by fifths, 20, 40, 60, 80 and 100.

By Hon. Mr. Oliver:

Q. You have suggested here that we should divide the injuries into five degrees. You say: "The first degree shall be applicable to those who are rendered totally incapable of earning a livelihood as the result of wounds or injuries received or illness contracted on active service, during drill or training, or on other military duty."—A. Yes.

Q. Give us an instance of wounds or physical incapacity that would come under that head.

By the Acting Chairman:

Q. Of total disability?—A. Our total disability cases up to the present time are the majority of them cases of conditions that will improve. A man has an organic disease——

By Hon. Mr. Oliver:

Q. I am not asking that. I am asking you specifically for your description of some case that would come under that head as an instance. You have already adjudged certain men to be totally disabled. Give us a description of the injuries?—A. A man that has the frontal bone all gone; when he leans forward the brain drops forward on his hand.

Q. Any other? That case cannot be considered a class; that is a special case.—A. A number of cases of nervousness with tremor, loss of memory, loss of sleep, sleeplessness, and effects of that kind.

Q. Mentally disabled?—A. Yes.

Q. That is recognized as total disability?—A. It is total disability because the Medical Board reports the man is unfitted to do anything whatever.

By Mr. Nesbitt:

Q. You would afterwards have him reviewed?—A. Yes. Lots of those cases recover. Even in six months some will be better.

By Hon. Mr. Oliver:

Q. In regard to physical injuries, what would you consider total incapacity?—A. Suppose a man lost all his limbs—he might lose two legs and an arm and still be able to do a slight amount of work.

Q. He would be adjudged totally incapable?—A. I do not think he would, but the expression comes from the Medical Board as to that.

APPENDIX No. 4

By Mr. Nesbitt:

Q. If he lost two hands, would he not be totally incapacitated so far as a pension is concerned?—A. Yes.

By Hon. Mr. Oliver:

Q. You say in your report "the second degree shall be applicable to those who are rendered in an extreme degree incapable of earning a livelihood as a result of injuries received or illness on active service, during drill or training or on other military duty." Give us an instance of that?—A. Take the man who has lost a leg; he has a material injury to his hand or arm, lost largely the use of one arm in addition to the loss of a leg. I think that is an extreme case.

Q. As to physical condition, as to physical accidents or physical injury, or constitutional injuries?—A. Well, a man who could only engage in the lightest of occupations.

Q. What would you consider a weak heart?—A. They run all degrees from practically as good as we are to bed-ridden. These are cases where you have to get the opinion of the Medical Board as to the degree that a man is affected.

Q. Don't you take the evidence of the Medical Boards as to the facts, and then decide what the degree is?—A. They always find as to degree as well.

Q. Then the Medical Board is the Pensions Board?—A. No, the Medical Board is the board that sees the man.

Q. They are in effect the Pensions Board if you simply accept their report?—A. No, we do not do that; we do not accept it absolutely. But it is a large guide.

Q. Take the fifth degree. You say it "shall be applicable to those who are rendered in a small degree incapable of earning a livelihood as a result of injuries received or illness contracted on active service, during drill or training, or on other military duty." What injuries and what illnesses would you consider under that head? —A. A man might have flat feet, incapacitating him to quite a small extent, and yet it would be an incapacity. Quite often the Medical Board gives a case of rupture or hernia. That is not incapacity. In that case the Pensions Board disagree, and award him that small pension believing he has a real incapacity.

Q. You use the words here "injuries received or illness contracted on active service, during drill or training, or on other military service." Why do you add the words "during drill or training, or on other military duty" to the words "active service." What is the meaning you desire to convey?

By Mr. Nesbitt:

Q. What does "active service" mean?—A. Active service is in the field, when the country is at war, or when called out for strike duty, things of that kind, in aid of the civil power.

By the Acting Chairman:

Q. Is not a man, when at camp, on active service?—A. No, he is not on active service, he is training. The Militia Act gives a definition of these terms, "active service," and "on service."

By Hon. Mr. Oliver:

Q. You are desirous of restricting the granting of the pensions rather than expanding them?—A. No, this does expand them to apply to a man who is at camp, or if called out on any other duty. Sometimes parties are called out to fire salutes on the King's birthday, or something of that kind. If he is injured then he is on military duty.

Q. There were a number of men marched down the street this morning, they were enlisted six months ago, and we will suppose that some of these men suffered dis-

abling injuries between the time they were enlisted and the present time, would they be included under this definition?—A. Yes, "active service." They are on active service as soon as they are enlisted for the purpose of war.

By the Acting Chairman:

Q. I thought you told me a few minutes ago that a man in training enlisted for the expeditionary force was not on active service?—A. Yes, he is on active service from the time he enlisted.

By Hon. Mr. Oliver:

Q. Then this definition would include all men once they are enlisted?—A. Yes, on active service.

Q. So they would be on active service. Then there is no necessity for the words "during drill or training" as far as the pension authorities are concerned?—A. No, sir, that refers to camps in time of peace.

Q. Then why make that distinction in this at all, because we only propose to deal with this war?—A. But these are the regulations you are going to amend.

Hon Mr. OLIVER: We are dealing with pensions for this war, not for anything else.

By Mr. Nesbitt:

Q. I do not see how we can very well confine ourselves to this war when we are supposed to make recommendations amending these regulations. What is the meaning of "or other military duties"?—A. That is a phrase to include everything. I spoke of the calling out of a battery to fire a salute on a holiday. They are called out by authority, and if anything happens to them they are entitled to recover.

By Hon. Mr. Oliver:

Q. "Active service" covers everything connected with the Expeditionary Forces?—A. It covers more than that, when troops are called out in aid of the civil power, or for an insurrection, or anticipated insurrection, in the words of the Militia Act, "in case of emergency."

By the Acting Chairman:

Q. You do not give a man a pension if he is injured when not actually on military duty. Supposing a man were walking down the street and he is run down by an automobile, would you give him a pension?—A. A soldier?

Q. Yes, a soldier in uniform?—A. Yes, if it is not his own fault or negligence.

Q. If it were his own fault and negligence?—A. Then we throw it out.

Q. If you left in the words "during drill or training or on other military duty," would you throw it out?—A. You must take the whole regulations which you have here on your first page. If you will notice the first article 641 says, "The following rates of pensions will be granted militiamen wounded or disabled on active service, during drill or training, or on other military training, provided the disability was not due to his own fault or negligence," then it gives the rates, and then comes (a), (b), (c), (d), (e), (f), and (g).

Q. Then you intend 641 still to remain?—A. Oh, yes. Then you amend the regulations following the clause I have just read. Excuse me a moment, I want to make it plain if I can. Of course, personally, I am not wedded to following the order, but I want to make plain the reasons why these clauses are drawn in the way they are. It seems to me they should not be stated in more absolute terms. You could state that the pensions should be according to the 20, 40, 60 or 80 per cent of the man's incapacity, but if that were done, and the Medical Board were to send in an opinion that the man was incapacitated to the extent of 20, 40, 60 or 80 per cent, that man would expect the

pension that is based on that schedule. There would be no "come" or "go" for the Pensions Board who have to deal with the matter finally. Now the Pensions Board are in a better position to judge on that question, they know how similar injuries are classed all over the country, they have the man's whole history before them, and they are therefore, considerably better judges as to the exact amount of pension he should have. The same thing, I think would happen with regard to the idea of having so much pension for each injury; if all of these injuries were placed by order under one of these classes there would be difficulty. I think we should have some elasticity about it.

By Mr. Nesbitt:

Q. For the Pensions Board?—A. For the Pensions Board.

By Mr. Macdonell:

Q. Why did you make these recommendations?—A. I was asked to do so, but I had to prepare it hastily.

Q. Then it is your opinion?—A. Yes, it might be better expressed, but it conveys the idea.

Q. How did you come to make the recommendation?—A. I was asked by the Chairman to do so.

Witness retired.

Mr. SCAMMELL recalled and further examined.

The ACTING CHAIRMAN (Mr. Nickle): Your attendance was desired this morning in order to learn whether anything had been done by your Commission in regard to Soldiers' Homes.

Mr. SCAMMELL: I think Mr. Dobell has answered that question. I would like to make one suggestion, if I may.

The ACTING CHAIRMAN: Very well.

Mr. SCAMMELL: That is in any re-wording of the scale here, we shall not repeat "rendered totally incapable" or "rendered incapable of earning a livelihood," but that we shall use these words: "suffered total" or "suffered partial physical disability" or whatever it is.

Mr. MACDONELL: Why do you want the change made?

The ACTING CHAIRMAN: It gets over that trouble about a man's pension being lessened if he goes to work thereafter. That is your idea, is it not, Mr. Scammell?

Mr. SCAMMELL: That is my idea: the first degree shall be applicable to those who have suffered total physical disability.

Witness retired.

Mr. C. LAWRENCE, called and examined.

By the Acting Chairman (Mr. Nickle):

Q. What representations do you desire to make to the Committee?—A. I might just say in opening that I represent the Brotherhood of Locomotive Engineers. I have also been asked to represent the firemen because their representative cannot be here to-day. We had this matter up with the Premier before the present system was put into force, and he assured us that it was the attention of the Government to adopt an

adequate pension plan. According to our idea, the pension plan that has been adopted is not an adequate one.

Q. What are your criticisms of it?—A. I could offer a good many if I wanted to go over the whole plan.

By Mr. Macdonald:

Q. That is what we want you to do. A. In the first place, the rates are not adequate. We consider the rates too low.

By the Acting Chairman:

Q. You are speaking now of pensions?—A. Yes, of pensions.

By Hon. Mr. Oliver:

Q. What would be a fair rate in your opinion?—A. For instance, take our own organization. We have a pension system, and the rates run all the way from $25 to $65 a month, according to the length of time the man has belonged to the Pensions Association. Well, that would be an average of about $45 a month.

By Mr. Macdonell:

Q. The beneficiary has paid into that fund, has he?—A. Yes, sir, he has paid into the fund. As I have said, that would be an average of $45. Well, in our opinion $45 pension from the Association would be better than probably $55 or $60 for a man who has reached the age of 65 years. He may be pensioned off and he may get a position where he gets $65 a month. He may be just as healthy a man as he ever was and may not need a doctor's care or anything like that, and so may not be put to that expense. But if a man is injured or cannot follow his occupation, he will have more or less expense with physicians, and other expenses, and will probably need more than if he were in a healthy condition.

Mr. MACDONALD: You must not eliminate the patriotic side. It is not a question of dollars and cents altogether. There is a difference between working with the certainty of a pension and going out to fight for your country.

Mr. LAWRENCE: The man who has gone to war goes out to fight for you and I.

Mr. MACDONALD: Quite so.

Mr. LAWRENCE: And if he does that we should be willing to pay him an adequate pension.

Mr. MACDONALD: I am only directing your attention to the comparison you made. Your argument eliminated that particular question.

Mr. LAWRENCE: I do not know about that.

Mr. MACDONALD: It struck me that way.

Mr. LAWRENCE: I did not mean to eliminate it. If a man has enlisted for overseas service and is injured so that he cannot follow his occupation, he should get a pension regardless of whether he has ever done anything else or not. I do not know why, even if he contributed to that injury or disablement, he should not get paid for it. At the present time you take the Ontario Workmen's Compensation Act, and I have a copy of it here——

Mr. MACDONELL: On that point there is no difference of opinion. He gets his pension anyway as a soldier of Canada. There are not half a dozen cases of injury in this country where the man is not getting a pension.

Mr. LAWRENCE: I beg your pardon, Mr. MacDonnell. In this case, according to this Act, the man does not get his pension.

Mr. MACDONELL: He gets his pension if injured.

Mr. LAWRENCE: But his beneficiaries do not get it.

Mr. MACDONELL: If he is killed they do.

Mr. LAWRENCE: Not always. There was a case where a man was drowned in a canal, and simply because that man got orders not to go within a certain distance of that canal the Government would not pay the beneficiaries his pension.

By the Acting Chairman:

Q. Under the present system?—A. Yes, under the present system, I would like to know why that man's dependents should be caused to suffer simply because that man disobeyed an order. You take the railway companies, for instance, and the Workmen's Compensation Act. If an employee does violate an order of the company or a rule, and meets with an accident——

Mr. MACDONELL: I do not believe there are five cases to-day such as you have instanced in regard to the man who fell into the canal.

Mr. LAWRENCE: Regardless of whether there is one or not, the dependents should not be allowed to suffer.

By the Acting Chairman:

Q. Supposing five soldiers hired a horse and got drunk, and the horse ran away and they were killed. Would you contend their beneficiaries should get a pension?—A. The horse ran away and they got killed? I don't see why they should not.

Q. Even if the men got drunk?—A. Well, now, should the Dominion Government be any smaller than the industries and railways throughout the country?

Q. I do not think under the Workmen's Compensation Act they would get any allowance. The injury must be sustained in the sphere of their employment.—A. Yes, but even if they contributed to the accident they get the pensions just the same.

Q. Providing it is within their sphere of employment. But if men are working in a factory and get out at night and do just what I have described, they do not receive any compensation under the Workmen's Compensation Act.—A. No, but at the same time, if a man is in uniform, you cannot expect him to stay in a tent all the time. If men go down a street and get injured I do not see why they should not get compensation. If they had not been in uniform they would not have been in that street in that condition. It is because they have been called out to serve their country.

By Mr. Macdonald:

Q. If they were out on leave, and got drunk would not that make any difference?—A. That is drawing the line pretty thin. The man might not be drunk. I read a case in the paper this morning where a returned soldier was arrested in Toronto for being intoxicated. They took the man to the jail and locked him up and he contracted pneumonia and died. Now, that man had not touched a drop of liquor. He had received a wound in the head which affected him and the police thought he was drunk.

By the Acting Chairman:

Q. I have a good deal of consideration for the case of the man who fell into the canal. What other cases have you?

Mr. NESBITT: I certainly would be in sympathy with the poor fellow who was improperly arrested.

The ACTING CHAIRMAN: Certainly.

The WITNESS: I think that a man who has been disabled so that he could not follow his occupation should receive a pension.

By the Acting Chairman:

Q. We are going further, and the present regulations go further. He gets it if he is prevented from earning his living in the ordinary walk of a labouring man. You think he should get it for a physical disablement?—A. I think mine was further. For instance, take my own occupation, a locomotive engineer. He is required to pass

a strict examination as regards eyesight and hearing, and other things. If that eye is injured, to a certain degree he is prevented from following that occupation. I have all the rules and regulations here. If that man is injured fighting for his country so that he cannot fill his occupation, I do not know why he should come down to working in a sewer or to follow the ordinary course of a labourer. I think he should get his pension, and then if there is any way he can be trained, the remuneration so gained should be extra.

By Mr. Nesbitt:

Q. Should he get his pension in proportion to the business he was formerly in?—A. I do not say in that line; I do not ask for class legislation. I say, put them all on an equal footing. There might be a little distinction between a private soldier and an officer, but not the distinction there is in this case.

By the Acting Chairman:

Q. The disability should be in relation to the man's employment? If the engine-driver is disabled——A. I mean if a man is injured so he cannot follow his occupation, he should receive the amount of pension that is due him.

By Hon. Mr. Oliver:

Q. For total disability?—A. For disability.

Q. You are an engineer, if you are not able to secure re-employment, would you claim a total disability pension for that?—A. Yes, sir. Whatever amount you agree to give. If you agree to give $55 or $60 a month, I think you should give that man that amount.

Q. It is not the question of amount, but the question of definition of total disability?—A. It is total disability for that man following that occupation.

By Mr. Green:

Q. That would not be total disability, in your opinion, in the case of another man in another occupation?—A. The same thing would not apply to another occupation. For instance, I have figures here from an actuary. Out of every 100 men who start as firemen only 17 become engineers. Out of every 100 men who do become engineers only 6 become passenger engineers. For one man out of a hundred who started out as a fireman and becomes a passenger engineer he has put in a lot of service for that. If he should be injured so he cannot run that passenger train, I think he should receive a full amount of pension.

By Hon. Mr. Oliver:

Q. Your theory is absolutely right. The only difficulty is when it came to be a practice, that it would always be the Jersey cow that was killed at the railway crossing. Everybody who had his eyesight injured would be an engineer?—A. I think the Pension Board could quite easily work that out.

Mr. NESBITT: If not a railway engineer, he might be something else.

Hon. Mr. OLIVER: Theoretically there is certainly a great deal of merit in Mr. Lawrence's contention. Supposing a telegraph operator loses both feet, he is not incapacitated at all from following his occupation.

Mr. MACDONELL: But he should get some pension.

By Mr. Green:

Q. A telegraph operator might lose both feet and one hand and would not be entitled to a total pension under that system?—A. For instance, take the Ontario Workmen's Compensation Act, which is about the same as the Manitoba Act. I have

a copy of the Manitoba Act, and it is along the same line. The only difference between the two is that there is a minimum amount in the Manitoba Act and there is none in the Ontario Act. There is a minimum amount of $6 a week in the Manitoba Act, but the Ontario Act says they must be paid 55 per cent of their wages, and the Act says: "Except where the injury (*a*) does not disable the workman for the period of at least seven days from earning the full wage at the work at which he is employed, or (*b*) is attributable solely to serious and wilful misconduct of the workman, unless the injury results in death or serious disablement." If it results in death or serious disablement they get it anyhow, even if it is wilful misconduct.

By the Acting Chairman:

Q. In Ontario they only get $20 a month. How much did you say?—A. Fifty-five per cent of his wages up to $2,000 a year for disablement.

Q. If the man were killed?—A. The widow receives $20 a month, and $5 a month for each child. They get $75 in the first place for funeral expenses, and then the widow or invalid husband, whatever the case may be, gets $20 a month and $5 a month for each child up to 16 years of age.

Q. You would not advocate anything as small as that for dependents?—A. No, I think the dependents should receive the same amount as the man would receive himself. I do not know how any person can live comfortably even on $50 a month.

Q. See if I can put the matter briefly. You say the present system defines disability in relation to the man as a machine. You think it should be determined by the relation of the man to his employment. That is, if a man is an engineer and loses one eye and the other eye is dimmed so he cannot follow his calling, you would consider him totally disabled and give him the full pension for a totally disabled soldier?—A. Yes, sir.

Q. That is what I understood?—A. I believe there should be a certain amount and every person receive the same. For instance, $50 a month regardless of his occupation.

By Mr. Scott:

Q. If he were a doctor or a lawyer, you would not give him a pension in relation to what he was able to earn in his own occupation?—A. Yes, sir.

By Mr. Macdonell:

Q. You would agree with Mr. Darling's suggestion of a flat rate?—A. I think even $50 is too small. I have no wish to advocate a pension according to a man's wages. There are some locomotive engineers who earn $250 or $300 a month. But I would not advocate paying them any more than any one else.

By the Acting Chairman:

Q. You would make the basis the same in all classes, but you would determine the damage by relation to his employment, and not to the man as a machine?—A. Yes.

By Mr. Nesbitt:

Q. You would determine it by the man's occupation?—A. Yes, in relation to his employment.

By the Acting Chairman:

Q. What do you think about a difference in pensions as between privates and officers?—A. I think there is too much difference in the present scale. For instance, I could probably name you cases where two men started equal. The rank and file pension is $264 a year in the first degree, and for a captain $720.

By Mr. Nesbitt:

Q. Would you raise the low fellow and decrease the other?—A. I do not think the scale is any too much for a captain but I think the other fellow is too low.

By the Acting Chairman:

Q. You would raise the private?—A. Yes. I do not want to be understood as stating that any person receiving a pension as an officer is getting too much. But there is too much difference between $264 a year as a private, and the amount allotted to a colonel or brigadier-general. There are men when they started in the service on a basis of equality in business and living conditions——

By Mr. Nesbitt:

Q. That is in their former occupations?—A. No. Through no fault of the private, but through influence—you can put it that way——

By Hon. Mr. Oliver:

Q. Everybody cannot be an officer?—A. At the same time, I have known men who have been made officers who were no more capable than other men. He might be capable of filling the office, but not more capable than the other man.

Q. Out of a hundred men of a certain capacity, only a few can be made officers?—A. Through something that happened this man was promoted to be an officer. Other things being equal I do not think there should be that difference.

By the Acting Chairman:

Q. You think there should be some but not so much?—A. I think it is just as well to have some difference.

Hon. Mr. Oliver:

Q. Mr. Lawrence could possibly give us some idea as to what is required in the case of dependents. We have not discussed the case of dependents very much up to the present time. You might, Mr. Lawrence, give us an opinion as to what would be a proper allowance for dependents, that is where a man is killed?—A. I might say that there are provisions with respect to that in the Workman's Compensation Act in the getting up of which I had a lot to do.

Hon. Mr. OLIVER: I would suggest that Mr. Lawrence would, for my information and for the information of the Committee, prepare a statement of what he considers are the requirements of dependents, and also the relationships and the conditions which will entitle dependents to receive pensions.

The hour of adjournment having arrived, Mr. Lawrence was requested to prepare the statement suggested by Hon. Mr. Oliver and attend to-morrow.

Committee adjourned.

APPENDIX No. 4

HOUSE OF COMMONS,
COMMITTEE ROOM No. 301,
FRIDAY, March 31, 1916.

The Committee met at 10.30 a.m., the Chairman, Hon. Mr. HAZEN, presiding.

The CHAIRMAN: I have received a letter from Mr. Nickle, in which he states that Mr. Kingston, of the Ontario Workmen's Compensation Board, will come to Ottawa Wednesday next; he cannot be here sooner. If the Committee meets on Wednesday we will call Mr. Kingston. I also got this communication from Mr. Darling this morning. (Reads.)

(8). March 30, 1916.

"Dear Mr. HAZEN,—

You were good enough to ask me when I was in Ottawa last week if I would put into shape my views as to a pension scale. I am sending you some blue prints showing the figures, as well as two or three sheets showing how the same scale works out graphically. The figures and the notes thereon will, I think, with a little study, make everything clear.

I have thought a good deal of the whole question since I had the advantage of hearing the evidence and discussion on the matter at the meetings of your committee and am more than ever convinced that the only possible method of deciding on the degrees of inefficiency caused by injuries is on the basis of impaired earning power. It has to come to that in the end, no matter what principle is followed.

I am also firmly of the opinion that the American plan of a specific amount for a specific injury is wrong. Cases of specific injury would vary enormously with different men, and it is this variation that is to be considered. One might as well have a specified amount given for a specified illness such as tuberculosis, rheumatism, paralysis and mental derangement.

You will notice that I have left a very considerable gap between grade 1 and grade 2. Grade 1 is for total permanent disability, no difference being made for single or married men, though in the case of the latter any children he might have would be granted the full rates.

The comparatively larger drop between grades 1 and 2 is made because men in grade 2, though very severely injured, are still capable of filling some kind of position, and probably if they are fortunate could without any very great exertion earn enough money to bring them very closely up to grade 1. This gap between the two grades would allow the men in grade 2, whom it would not be justifiable to put in grade 1, to have their positions improved in case of married men by being given half rates or whole rates for their children in special cases.

You will notice that in the lowest grade the curve upwards from private to colonel is very slight. In the lowest grade of all the colonel gets only double what a private gets, $75 for the latter and $150 for the former. As the grades ascend the curve becomes steeper, so that in the case of a totally disabled colonel the pension allowance is three times as great as for a private.

My idea in flattening the curve in the lower grades is that a small physical injury to a working man is very much more serious than it would be to say, a lawyer, banker or physician.

It is not perhaps so easy to find a perfectly valid reason why in the upper grades a colonel should get so much more than the private. In certain instances it might perhaps work out very unfairly, but in the majority it would be found that a Colonel always had occupied a very much superior position in private life to the average private.

Hoping that you will find this information of some service, with kind regards, believe me,

Yours faithfully,

(Sgd.) FRANK DARLING.

P.S.—I am enclosing a cutting from a newspaper which shows why the distinction between ranks in a volunteer army should not be as great as in a professional one."

Mr. GREENE: Mr. Darling has evidently given this matter a lot of thought.

Hon. Mr. OLIVER: It is the only way, for a man to devote himself to it.

The CHAIRMAN: You had better, Mr. Cloutier, have a copy of Mr. Darling's letter given to each member of the Committee. I was not present when the committee adjourned yesterday, so that I am not aware what the course of business is for this morning.

Mr. NESBITT: Mr. Lawrence was asked to come back to-day.

Mr. SCOTT: Mr. Lawrence represents the Locomotive Engineers.

The examination of Mr. LAWRENCE resumed:

The WITNESS: Mr. Chairman and gentlemen, when the committee adjourned yesterday I was pointing out what I thought was an unfair rate between the rank and file and the officers. I want to say in connection with the widow and her children, I think the rate is just as unfair. I do not know why the child of the rank and file should not receive just as much as an officer's child. I do not know why there is any distinction drawn. All labour organizations have been striving to better the conditions of the labouring class, what we call the ordinary people, and this distinction, in my estimation, keeps them down on a lower plane than they should be. Under this arrangement the child of the rank and file receives $5 a month, the child of a first lieutenant $6, the child of a captain $7, the child of a major $8, the child of a lieutenant-colonel, colonel, major general and brigadier-general, $10.

By Mr. Nesbitt:

Q. What book are you quoting from?—A. I make a report annually to the men I represent, and it is a copy of my report in which I deal with the pension plan I am quoting from.

Q. It is copied from that?—A. If you will compare my report with the government report you will find that I am quoting correctly. Now, I do not know why my child should not receive just as much as the child of a brigadier-general. I have a son who is in active service. He is single, and fortunately we are not dependent upon him for a living, but I just mention that fact. If he was married and had a child it would be unfair that this child should not get the same proportion as the child of an officer who is in a higher position than he was. Now, this is not new to me. This report was sent out about the 1st of last November, and here are my comments on this pension. I will not read the whole of it. I have already mentioned the fact that we had an interview with the Premier on the matter of the request of our members.

Mr. NESBITT: You have told us the substance of that already.

The WITNESS: Yes, I have told you the substance. It is not necessary to read it all, but I make comments here (indicating report.) I say I am of opinion, and I think you will agree with me, that the rate for a private soldier or a non-commissioned officer is a little better than nothing, and so on. But I also suggest to them that we can have the matter brought up the next session of Parliament and a more equitable rate established.

By Mr. Nesbitt:

Q. Setting aside the arguments with reference to the officer and the private, the child of a private soldier gets $5?—A. Yes, sir.

Q. Supposing there were three children that would be $180 a year. Then the widow would get what?—A. The widow of a private gets $22.

Q. A month?—A. Yes.

Q. That would be $264 and $180?—A. But the lieutenant's wife gets $37 a month.

Q. Adding the two amounts I have mentioned, it would be more than $264. If the families were large, that is about as high as we would be able to go with a pension? —A. As I said yesterday, the Dominion Government should be, if anything, in a little better position in respect to making grants than the ordinary industries. Under the Workmen's Compensation Act of Ontario each child gets $5 a month.

By the Chairman:

Q. How much does the widow receive?—A. The widow? Twenty dollars and each child $5 up to the age of fourteen.

Q. That is not as good as the Government pension scale?—A. It is only a difference of $2 a month in favour of the Government. You could not expect an industry or a railway company to be as liberal as the Dominion Government should be.

By Mr. Nesbitt:

Q. Why not? The railway company payment is based on a knowledge of the conditions of life among railway people?—A. Yes, I know. But——

Q. Your argument seems to be that as long as the Government has to pay a pension there is no limit to what they should pay?—A. I beg your pardon, I am not arguing on that theory at all. When we were fighting for the Workmen's Compensation Act all the manufacturing industries in the country were opposing the enactment of any fair measure.

Q. Pardon me, I am a director of five manufacturing institutions, not one of which was opposed to the Act. You had better confine yourself to facts?—A. When I say all of the manufacturers, there may have been an individual manufacturer in its favour, but there were none represented before the commissioner who were in favour of any reasonable Act. I make that statement and I can prove it by the minutes.

Mr. SCOTT: I do not think it is fair to say that the Canadian Manufacturers' Association was opposed to any reasonable Act. They had their representative there and doubtless he placed many difficulties in the way.

The WITNESS: That is all we have to go by, what their representative did.

By Hon. Mr. Oliver:

Q. Before we adjourned yesterday I asked you to give us your best opinion as to what amount would afford proper support for a disabled man; also what amount might be regarded as proper support for the dependents, and what relationships should be admitted in that category. Be good enough to give us your opinion as to what would be a fair allowance for a disabled man, that is to say a man unable to earn a livelihood?—A. Of course, my contention is that a man unable to follow his occupation——

Q. Yes, I know, but dropping all that?—A. I just want to follow that up by saying that in my opinion he should not get less, that is the man himself, than $50 a month.

By Mr. Nesbitt:

Q. That is a man totally disabled?—A. Yes, sir.

Q. You would make that a basis?—A. Yes, and I think that is putting it low. Then for the widow there is a difference, because, in making a payment to the widow you are making payments to the children as well. Our suggestion to Chief Justice Meredith when the Workmen's Compensation Act was being considered, was that the widow should receive $28.

Q. Would you mind dropping your argument about the Workmen's Compensation Act and give us your own view?—A. I think you ought to pay a widow $30.

Q. That is, if the husband was killed you would pay the widow $30?—A. Yes.

Q. Now, then, what about payments to the children?—A. As to the children, I think I am putting it very low when I say eight or nine dollars for each child. I believe such money would be well spent. In my opinion you will get the best good, and more good out of money spent upon the children than you could in any other way, but I think the age limit for boy and girl both should be 18 years. As it is at present the age limit for a boy is 15 years and for a girl 17 years. In my opinion the age limit for both should be fixed at 18 years.

Q. They should both get $8 a month?—A. Yes, sir, for each child and regardless of the number of children there are in the family.

By Hon. Mr. Oliver:

Q. You make no difference on account of the difference in age of the children?—A. Not up to 18 years.

Q. An infant would get $8 the same as a boy of 17?—A. I don't know where you could draw the line.

Q. We want to get your best opinion?—A. I would not draw any distinction.

Q. We want to get your well-considered opinion as to what we should do?—A. In that connection, I want you to remember that often there are circumstances where a child has been subjected to very great disadvantages. I can give you one case in particular. A boy's father died and the house they were living in was not paid for. The father left some insurance but after all expenses were paid there was very little money left. This gentleman worked in the office of a railway company as one of the officers, and his son was going to the Collegiate but he had not got his matric. I might say that he was a close friend of ours, a neighbour. The Company, in sympathy with the widow, offered to take the boy in an office. The boy had to work because they did not have enough to live on. Everybody advised against accepting the Company's offer, but the widow said she could not do without it. The boy left school and was away from school for two years. He realized himself that he should be going to school; he was an intelligent lad and learned faster than the average child.

By Mr. Nesbitt:

Q. How old was he?—A. I should think about 16 about that time, and I am satisfied that had he gone to school about two years longer he would have taken his matric. But he quit and was away from school about two years. Then he went back. He has entered two examinations since for his matric. and has failed in both. Now, nobody who knows the boy but would think he could have passed if he had been allowed to attend two more terms.

Q. You have got no proof of what you say—only your own imagination.—A. I beg your pardon, there is no imagination about it.

Hon. Mr. OLIVER: We have asked the witness for his opinion, let him give it.

The WITNESS: There is no imagination about it, Mr. Nesbitt. That boy was a chum of my own son, and I want to say that he was better in learning things than my own son was. But my son passed in the two years and the other boy was absent from school two years and failed at his examination. Now, that boy has to quit school entirely. That is a fact. There is no imagination about it.

APPENDIX No. 4

By Hon. Mr. Oliver:

Q. You advocate a payment of $50 for a disabled man?—A. Yes.

Q. That does not include attendance?—A. No, it does not include attendance.

Q. Attendance would be extra. Then you propose a payment of $30 to a widow and $8 for each child up to 18 years of age?—A. Yes, up to 18 years of age, and that is putting it pretty low.

Q. What relationship would you consider should come in as dependents? There is the widow, of course, but there are others. How would you limit that?—A. I think payments should be made to all when the son contributed towards the support, but I am not prepared to say how far it should go. For instance, I know of an unusual case where a young man supported his two sisters.

By Mr. Nesbitt:

Q. Would you place them among the actual dependents?—A. Yes. These things should be taken into consideration by the board. A good board will have a lot to do with the satisfactory working out of any pension scheme. You may grant as good a pension as you like, but if you do not choose a good board to carry it into effect there is going to be dissatisfaction. I would not advocate paying those sisters during the whole of their life, but only for a fair and reasonable period, so that they might find some employment or do something that would enable them to support themselves.

By Mr. Scott:

Q. Do you not think there is a pretty difficult proposition involved there? You might have one case where the sister stays at home and the brother supports her. In the case of another man in very similar circumstances he might have a sister who is employed in some office or in a store. The one woman might be just as well able to do something to support herself as the other, but owing to special circumstances she is dependent upon her brother.—A. I realize that of course.

Q. Now, is there any reason why that one girl should be kept by the State?—A. I would not advocate the State maintaining her, only for a reasonable length of time to enable her to support herself.

Q. Why not do it for the other?—A. The other sister is already supporting herself. The probability is that the sister who had been relying upon her brother for support would have to prepare herself for some vocation which would enable her to earn her livelihood. In the meantime, it would only seem fair that the State should contribute towards her support.

By Hon. Mr. Oliver:

Q. Supposing I am a soldier, which I am not, and supporting some person, not an immediate relative. Supposing for some reason or other I had adopted a boy. I go to the war and am killed. Now, that boy was dependent upon me and yet there was no relationship between us. Would you make an allowance in that case?—A. Yes, sir, I think that boy should be treated the same as if he was your own son.

Q. Then you would admit the right of any person who had been dependent upon the deceased soldier to receive some consideration?—A. Yes, sir.

Q. But that would be at the discretion of the Pensions Board?—A. I think it would be better left that way.

Q. You would not allow any discretion in the case of a widow? Of course they would have to give her a fixed pension?—A. Yes, I think they should.

By the Chairman:

Q. Even though the widow was wealthy and able to take care of herself? We do have cases where the widows are very wealthy.—A. I do not believe in drawing such a line, I do not believe in class legislation. They are entitled in either case to a pension, and ought to receive it.

Q. Do you think that to the widow with an income of four or five thousand dollars the country should pay a pension?—A. Well, if the husband has lost his life in the service of his country I do not see why it should not.

Mr. SCOTT: I don't see how you could get away from it.

The WITNESS: I don't know why you should not.

Hon. Mr. OLIVER: The man has sacrificed his life and this is a payment of life insurance by the State.

The CHAIRMAN: I would not expect such persons to accept a pension.

The WITNESS: That is a different thing altogether.

By Hon. Mr. Oliver:

Q. I think when you undertake to admit to pensions all those who were in dependence on the deceased you would have to define pretty definitely those who would be entitled to a fixed amount. Now, the widow would receive a fixed amount? —A. Yes, sir.

Q. What about the widowed mother?—A. I think if the mother is dependent on the man she should receive as near as they could fix it an amount relative to the——

Q. You would not fix her amount?—A. No. She should receive an amount relative to about the extent of her dependence on the son.

By Mr. Nesbitt:

Q. Supposing the person were entirely dependent on the son?—A. If she were entirely dependent on him I think there should be a fixed amount.

Mr. NESBITT: I see, you would leave that to the discretion of the board.

Hon. Mr. OLIVER: You must leave it to the discretion of the board, you cannot have it both ways.

The WITNESS: Not where the widowed mother was entirely dependent.

By Hon. Mr. Oliver:

Q. Do you think the entirely dependent mother would be in the same position as the widow and should be treated the same?—A. I would think so. She should be treated the same as the widow.

Q. Supposing I have a mother and father, both well on in years. I am the young son of an old couple, and they are down the hill pretty far. I have been their support and I am killed. What should be done in their case?—A. A mother and father?

Q. Yes. Such a case as I have described is a very common one.—A. I think they should have a stated amount.

Q. They would, of course, come in as dependents. Would you leave them at the discretion of the board?—A. No, sir, I think they should get a certain fixed amount.

By Mr. Nesbitt:

Q. The same as a widow would get?—A. I am not saying the same amount, but they should have a fixed amount.

By Hon. Mr. Oliver:

Q. That is what I want to get at. Should they be treated the same as the widow?—A. Probably the fairest way, the same as a widow and child, they are two people. With the widow you are dealing with one, but in this you are dealing with two. The fair way would be the same amount as the widow and one child.

Q. In regard to children; the orphan child with a mother, you want to get $8 a month. Supposing the child is an orphan absolutely, without either mother or

father or other relatives, which is a class to be considered. What would you do in that case?—A. In that case they should be treated the same as a child who is left an orphan. This states $10 a month, but I think it is small. It should be made $12 for each child left an orphan. In this instance they get $10.

Q. That is your opinion, and you are a responsible man before us to give us your opinion, no matter how you form that opinion?—A. I think $12 for each child, and the same age as the other, 18 years.

Q. If entirely an orphan child?—A. Yes, boy or girl.

Q. Then you would fix the pension for a widowed mother at $30 a month. Would you recognize a father who was entirely dependent?—A. Oh, yes, I think probably he should be treated the same as the widow alone.

Q. Supposing he was an invalid unable to support himself. He would be expected to work if he was able to?—A. Well——

Q. You would have a difference between the man and the woman, or would you?—A. I do not know that I would.

By Mr. Nesbitt:

Q. You would give the father, whether or not he was dependent, a pension?—A. A pension if he were dependent.

By Hon. Mr. Oliver:

Q. The point is that the woman who was depending upon her son as the sole support, because her son was working for her you would give her her pension in full?—A. Yes.

Q. But the man who was depending upon his son and still was able to work, would you give him a pension just the same?—A. I do not think he should receive a pension if he is able to work. I am putting myself in that boat. If my son met with anything, I would not expect the Government to give me a pension.

By Mr. Nesbitt:

Q. Of course, you are out of the ordinary. Supposing you were working with your hands?—A. I do not see any difference. Of course, I probably am out of the ordinary. My son has been in the service ever since war broke out. He took appendicitis at Valcartier, and I brought him home, paid his expenses, sent him up to St. Thomas, and paid for that myself. Not because the Militia Department did not offer to do it; they wanted him operated on in the military hospital in Quebec.

By Hon. Mr. Oliver:

Q. But you did not want to take chances?—A. It was not that. The boy was among strangers.

By Mr. Nesbitt:

Q. You naturally wanted to look after him yourself?—A. To please the boy.

Q. And his mother too, if she is living?—A. She is. I would have done it regardless of whether the mother was living or not.

Mr. SCOTT: When you open up that question of dependents, aside from the widow and children—no doubt there are claims—you open up a big avenue for unreasonable demands.

Hon. Mr. OLIVER: We are taking his opinion on it.

The WITNESS: I do not wish to be personal, but I can tell you just where there are unreasonable demands being made now, and you are granting them.

By Mr. Nesbitt:

Q. Don't go into that.—A. Now, I will tell you, gentlemen, I believe if it is known that the Government is going to establish an adequate pension to take care of soldiers and their families after they enlist, when they are sent upon active service, regardless of whether injuries are due to their negligence or not, you will do more to help recruiting in this country than anything else you can do. One dissatisfied person, a dissatisfied widow, can do more harm to recruiting in this country than fifty men can overcome.

By the Chairman:

Q. There is no question about that.—A. I think you intend to recommend a satisfactory pension. Now, I associate every day with people who are talking about these things, and there is a lot of dissatisfaction. There is more than what you imagine. Mr. Watters, representing the Trades Congress, and I, hear lots of things that you do not hear. But we are here to do what we can not only for the benefit of these people, but for that of the country at large. We are as much interested in the country and the welfare of the people as any one else. If something is established that will be satisfactory, I want to tell you you will be doing a great work. If it were even advertised to-day that it is the intention to take care of cases such as that of the soldier drowned in the canal, it would have a good effect. That is my personal experience. What I have told you, I got from personal experience. I was alderman in St. Thomas, and mayor, for a number of years. Persons in that position get lots of letters. I never got a letter from anybody that I did not personally investigate myself, and I got letters from women that most men would not have gone near their houses, but I went to satisfy myself. I went once to see a woman who was away from home when I called. I rapped at the neighbour's door. She came to the door, and I asked her if she knew where the lady next door was. She said: "I don't associate with her," and shut the door in my face. I cite these things to prove to you that I have investigated, and made a personal study of it practically all my life. And what I have stated I believe are the facts, and I believe they can be borne out. My opinion of these things is, as regards the amount of pension, I have that from our own men, individually. They think it is wholly inadequate.

By Hon. Mr. Oliver:

Q. Your figure for a disabled man is $50 a month, and for a widow $30, and you class entirely dependent relatives, a certain number, in the same class as widows; and others who are dependent are to be subject to the discretion of the Board?—A. They should receive some consideration.

Q. Here is another class of injured man, or partially disabled man. What about his dependents? Supposing a man, we will say, has lost an arm or a leg, or is injured internally, but still is fairly efficient, yet at the most not entirely efficient and liable to break down; that is, he becomes inefficient earlier in life than he otherwise would. Where do his dependents come in?—A. For instance, if a man, having lost an arm, took up some occupation where he would make a good living, and afterwards because of that arm,was unable to make a living and keep his dependents, I think the Board should reconsider his case.

Q. That would be at the start. Take this $50 a month man, he has a wife. Does she get anything?—A. No, sir.

Q. $50 covers both?—A. Yes.

Q. I see. Well, then, in regard to the man partially disabled, what about him?—A. I think any person who receives wounds or who is partially disabled in any way should receive something.

Q. He should. But what about his dependents?—A. Well, if the dependent suffers, the case should be given some consideration.

Q. Yes, but I want to lay down some rule that will be a guide to the Commission that is dealing with the matter. No matter what rules are laid down there is still a very large measure of discretion required to be exercised by the Commission, but we want to make rules wherever we can make them.—A. I don't know whether I can mention any stated amount, but I think he should receive consideration according to the amount he was contributing to their support when he did do so.

By Mr. Scott:

Q. In a case of partial disablement you would not allow the wife anything?—A. If you pay the man and that man supports the wife I do not think the country should be under any obligation.

By Hon. Mr. Oliver:

Q. Here is the point I am trying to get at; take your own calling. You have been able to hand over to your wife every month say $100 or $200. Yours being a very liberally paid ocupation your wife is able to live in very fair style on your earnings. You have been absolutely disabled so that you are utterly incapacitated from pursuing that occupation and you have got to come down to any occupation you can get. If your wife gets no consideration whatever for your disability it is pretty hard on her.—A. That may be, but my proposition was that if I was disabled from following my occupation I should receive the full amount of the pension, and in that case I cannot see why the wife should receive anything.

Hon. Mr. OLIVER: All right.

By Mr. Nesbitt:

Q. The payments should be based on the ability to follow the occupation?—A. Yes.

Hon. Mr. OLIVER: In the case I am quoting the man is not totally disabled, therefore he would not get the "totally disabled" pension.

Mr. GREEN: The witness is arguing that if he was prevented from following his occupation he should get it.

Hon. Mr. OLIVER: We are conceding that and I think Mr. Lawrence admits it is not practicable.

The WITNESS: I beg your pardon, I do not admit that. I think it is practicable and should be worked out. I could not advocate anything else. I am urging the opinion of those I represent and I cannot depart from that.

By Hon. Mr. Oliver:

Q. Supposing that is not conceded and a $50 maximum for total disablement is established. In that case there will be a lesser payment for the man who is partially disabled?—A. Yes.

Q. Then does the wife get any consideration in the case of the totally disabled man or in the case of the man who is partially disabled?—A. I think that if a man was partially disabled he would receive so much of a pension. In that case, if he was married I do not understand why the wife should come into the proposition at all. He supports his wife and you should give him pension enough to continue to do so. I don't know why there should be extra payments.

Q. That is your idea?—A. Yes, sir.

Q. As long as the man is living——A. Living with his wife and supporting her the pension should be paid to him and it should continue to be so.

Q. In case of a maximum of $50, or less than $50 a month, you would claim nothing for the wife?—A. No.

Q. That is definite. I would be rather inclined to especially consider the married woman in all cases, because she has much to say, in many cases, in connection with the volunteering of her husband, and it is pretty hard if anybody is hurt and she gets no consideration?—A. Of course they are supposed to be one.

By Mr. Nesbitt:

Q. She gets consideration through her husband, although it is a very small consideration?—A. Not always.

By Hon. Mr. Oliver:

Q. Supposing we set a consideration of $50 a month?—A. In that case I think it ought to be paid to them both.

Q. Supposing they have got children?

Mr. NESBITT: They get an allowance for each of the children.

The WITNESS: No, married women do not get anything for each child.

Hon. Mr. OLIVER: Do not make that mistake, they do not get anything in the case of a disabled man, it is only to aid the man. I have seen a man going around at Edmonton wheeling two children in a perambulator, his wife carrying another child, and a fourth running behind. That man is probably a good and valuable soldier, more valuable than if he did not have a wife and children. It may be that the wife induced him to go to the front. That man becomes disabled and gets $50, or rather, he becomes totally disabled; if he is only partially disabled he does not get that. Now, where do his wife and children come in?

The WITNESS: I suppose these large families should be taken into consideration.

Hon. Mr. OLIVER: I think they certainly should.

The WITNESS: If the man and wife live together and the man enlisted and was killed or totally disabled and they had a number of children under 18 years of age, it would be as well to consider something for the children. Now, that is all I wished to present to the committee. Mr. Watters, President of the Canadian Labour Congress is here, if you would like to examine him.

The CHAIRMAN: We will be glad to hear Mr. Watters if he has anything to say.

Witness discharged.

Mr. J. C. WATTERS called and examined.

The WITNESS: Mr. Chairman and gentlemen, I do not know that I have anything original to suggest. I simply want to support what I have heard stated by Mr. Lawrence. I was not present at yesterday's meeting when he gave the first portion of his evidence and I do not know whether or not he touched on the undesirability, in our opinion, of seeking to discriminate between the man who was injured at the front and the man who was injured while preparing to go to the front.

Hon. Mr. OLIVER: That has been all considered.

The WITNESS: This is the first meeting I have had the pleasure of attending and I did not know whether you had gone over that ground.

By Mr. Macdonell:

Q. What is your opinion?—A. My opinion is that the man who was injured in preparing to go to the front is entitled to the same consideration as the man who has been injured at the front.

Mr. NESBITT: Everybody is of the same view.

The WITNESS: Then there is no necessity to discuss that point. I know there is a great deal of difficulty in arriving at something like an equitable basis on which pensions may be given. If we looked at it from the viewpoint of what the individual is sacrificing in order to go to the front, we would be tempted to make the pensions differentiate according to the amount of sacrifice that has been entailed on each individual.

By Mr. Scott:

Q. According to his occupation?—A. According to his occupation. There may be some men who have received $150 a month. The prospects may have been very bright that if they had remained at home they would have made double that amount. When they return if they are only to receive a pension of $50 a month and when all their prospects for the future have been blotted out, you will admit the pension is entirely inadequate to meet that case. On the other hand, there is the workman who, perhaps only earned $40 a month, and on his return receives $50.

Mr. GREEN: It is pretty hard to differentiate.

The WITNESS: Yes. I understand these difficulties pretty well. It does seem to me the view the committee should take is the service they are rendering the country, throw them all into the melting pot, so to speak, recognize the services of each individual as being equal to the State. We must recognize it from that point of view because if we were to trace back the services of each individual we might inquire why it is one man is earning $150 and another man only $40 a month.

By Mr. Macdonell:

Q. It would be impossible to work out any arrangement taking into consideration every individual case. Is not that what you suggest?—A. The thing suggests itself to my mind: you cannot take every individual case and work it out. You must throw them all into the melting pot; here is the service they have rendered to the country; use them all alike.

By Hon. Mr. Oliver:

Q. To treat the matter in any other way you do not think is practicable?—A. No, it is not practicable. I quite agree with the suggestion made by Mr. Lawrence. Even the payment of $50 a month seems inadequate, but taking everything into consideration I am inclined to believe $50 should be paid to the totally disabled man, but nothing less than this amount in order to enable him to live in decency.

By the Chairman:

Q. Do you mean the man who is unable to earn anything, who is totally disabled? —A. Yes, the man who is totally disabled. The man who by reason of the misfortune which has occurred to him is debarred from earning anything.

Q. The percentage of those we are told is very low.—A. I understand that. The difficulty will be to meet the cases of men who are partially disabled and to deal out a pension in proportion to the extent of their disablement.

By Mr. Macdonell:

Q. Or men who are disabled for the time being.—A. Yes.

By Hon. Mr. Oliver:

Q. Colonel Belton gave us a list of grades under which pensions should be paid. We tried to get from him a definition of these, but did not succeed. The first degree would apply to those who are rendered totally incapable of earning a livelihood as the result of wounds or injuries received, or illness contracted on active service at the front during drill or training or on other military duty. Now give us your idea of what injury would bring a man in that class.

Mr. GREEN: That is totally disabled?

Hon. Mr. OLIVER: Yes.

A. That is one of the most difficult things, I think, to answer.

Q. That is what we want to find out.—A. It is pretty hard to define what is a totally disabled man, unless it is one who has lost both arms, for instance.

Q. Well, in the case of a man who has lost both arms, is that total disablement?—A. It seems to me that is total disablement. Even a man who had lost both eyes is not totally disabled because I have seen them at the building conducted by the Association for the Blind, engaged in occupations enabling them to earn something.

Q. Do you not think a man who had lost both hands would be entitled to that amount of pension?—A. Yes, I do.

Q. That is what we want to get at. It is not to quibble on the words "total disablement" but what injuries would you consider sufficient to warrant a man being paid that $50.

Mr. GREEN: A man who has lost both legs, for example?—A. Yes, a man who has lost both legs I would consider totally disabled.

By the Chairman:

Q. Supposing that man was an engraver? It would not interfere with his following his trade, would it?—A. Even a man who is totally blind is not totally disabled, because, as I have already said, I have seen blind people at work; but speaking generally, I would consider that a man who has lost both legs is totally disabled.

Q. You would not consider a man with one arm totally disabled?—A. No.

Q. Nor a man with one leg?—A. No.

Q. Or one eye?—A. No.

Q. What about deafness?—A. I would hardly consider that total disablement because there are quite a number of deaf men who are able to earn a living.

By Hon. Mr. Oliver:

Q. Now, the second degree is applicable to those who are rendered in an extreme degree incapable of earning a livelihood as a result of injuries of injuries or illness contracted on active service. Would you consider that a man with one arm had been rendered in an extreme degree incapable of earning a livelihood?—A. Speaking generally, I would consider a man very badly handicapped when he loses an arm.

Mr. SCOTT: You have got to consider the other degrees. There is the extreme degree and there is the material and marked degrees.

Mr. NESBITT: That extreme degree should be cut out.

The WITNESS: Off-hand it would be very difficult for me to draw the line between these degrees.

Hon. Mr. OLIVER: We want your opinion. You have given us a distinction of the first degree, that is the man incapable of earning a livelihood.

Mr. SCOTT: Is he not entitled to know what degrees follow, in order to be able to give an intelligent opinion?

Hon. Mr. OLIVER: All right. The second degree applies to a man rendered in an extreme degree incapable of earning a living. The third specifies that the man must be in a material and marked degree incapable of earning a living. The fourth, that he must be in a material but limited degree, while the fifth specifies "in a small degree." These are simply terms, and they have to be defined by instances, just the same as in law cases have to be defined by the decisions of the court.

Mr. NESBITT: The extreme should be in No. 1.

Hon. Mr. OLIVER: No.

Mr. NESBITT: What do you call extreme?

Hon. Mr. OLIVER: I think there should be certain differences between Nos. 2 and 1.

Mr. SCOTT: Mr. Darling divides them into nine.

The WITNESS: Did not the officers of the department who are responsible for the granting of pensions define the degrees themselves?

Hon. Mr. OLIVER: We had Colonel Belton here, and tried to get him to define them, but he failed to do so. Now you, Mr. Watters, are a practical man. Do you consider that a man who has lost one arm is rendered in an extreme degree incapable of earning a livelihood.

Mr. GREEN: Bearing in mind the other degrees enumerated.

The WITNESS: No.

Hon. Mr. OLIVER: Supposing he has lost his right arm.

Mr. NESBITT: He soon learns to work.

The CHAIRMAN: I would think that man would be rendered incapable to an extreme degree of earning his livelihood. In some occupations he would be rendered almost incapable.

Hon. Mr. OLIVER: Absolutely incapable in many occupations, in fact in most occupations.

The CHAIRMAN: Yes, if he were a painter, for example, he could not carry on his occupation with the loss of his right arm.

Mr. NESBITT: Why?

The CHAIRMAN: Because he could not do his work as a painter or a carpenter.

Mr. NESBITT: I know men in that position who could do more work than you and I could.

The WITNESS: I know quite a number. I know one man with his arm off at the elbow, and it is surprising what he can do. He can set type and a lot of other things. But these are exceptional cases. We must consider the matter as a whole.

By Hon. Mr. Oliver:

Q. Take the case of a man who has lost one leg. His position is not so serious?—A. Not so serious as that of a man who has lost his arm.

Hon. Mr. OLIVER: I would be very strongly of the opinion that the man with one arm should be put in that list.

The CHAIRMAN: So would I.

By Mr. Green:

Q. If you put two and three together, I quite agree with you.—A. The distinction is so closely drawn you cannot make a distinction.

By Mr. Macdonell:

Q. It is a matter of opinion.—A. My opinion is that a man who loses an arm, that is an extreme degree.

The CHAIRMAN: Something depends on the age he loses it. If he loses it in childhood, he adapts himself. Take a man in mature life, it is more difficult to recover from such an injury.

Mr. SCOTT: There must be some one on this Pension Board who, in actual practice, has to decide these things.

Hon. Mr. OLIVER: We had the practical man before us, but we could not get a satisfactory answer from him.

Mr. MACDONELL: We have not adopted this classification. It may be confusing, misleading, and very dim. I think we are dealing with something and arguing a lot upon questions founded upon hypothetical cases.

Hon. Mr. OLIVER: We must make some distinction.

Mr. MACDONELL: That classification is entirely impossible.

By Mr. Nesbitt:

Q. Which do you prefer, the degree classification, or the American classification of so much for an arm, a foot or a leg?—A. I am inclined to think I favour the more specific, definite statement in the American system.

By Mr. Scott:

Q. That is for total disablement?—A. Yes.

Q. Give him so much if he loses an arm or a leg, and so much for an eye?—A. Yes.

The CHAIRMAN: That would cut everything out except total disability.

By Mr. Macdonell:

Q. In your opinion then, outside of total disability, is the individual injury basis adopted by the United States Navy classification the system that you would apply?—A. Yes, I am inclined to think that would be the better method.

Q. Have you a classification in your mind other than that which you would recommend?—A. No, I have not. A wide latitude should be given to the Board itself.

Hon. Mr. OLIVER: You cannot fix it any way but they must have a wide latitude. But Parliament should certainly lay down limits within which they must exercise their latitude.

Mr. GREEN: The witness says, if I understand him right, he agrees with the American system of so much for a specific injury. If he does, he cannot have a wide latitude in pensions.

The CHAIRMAN: Any man who loses a right hand gets exactly the same amount. There is no latitude there.

Mr. GREEN: No matter what a man loses, he is paid a specific amount under the American and French systems. If you are going to adopt that, you cannot give any latitude.

The WITNESS: I made that statement in reply as my opinion upon whether or not these degrees would be better than the American pension system. My opinion of the American system was that it was definite and specific.

By Mr. Green:

Q. Then you follow that by the statement that the Pensions Board should be allowed a wide latitude. You cannot allow them a wide latitude.—A. If we do not adopt that system, you give him the earnings of a partially disabled man commensurate or somewhere nearly commensurate with his earning capacity before his disablement.

Q. Will you tell us this, Mr. Watters: In your opinion would it be better to appoint a Board and allow them a latitude wide or small as we see fit, or adopt the French and American plan of so much for a specific injury, and have it definite?—A. If I was on the Pensions Board, I would prefer the American and French systems.

Q. If you were on the Pensions Board? What is your outside opinion?

By Hon. Mr. Oliver:

Q. You are Watters now, what is your opinion as to the difference between the two?

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By Mr. Scott:

Q. Which is the fairest all around?—A. I am inclined to think that the French and American system would be the most satisfactory.

Mr. SCOTT: I should imagine that too.

The WITNESS: Because, as you can readily understand, the members of the Pensions Board, with the best motive in the world, might make mistakes; and if they have a set of circumstances that they must observe it seems to me there will be less likelihood of any miscarriage of justice or equity.

By Mr. Macdonell:

Q. You are through with that feature?—A. Yes.

Q. What opinion, if any, have you as to the desirability of establishing vocational or industrial schools, or seminaries, or hospitals, or something of that nature, for returned soldiers who are wounded?—A. I can answer that without equivocation. And when I am answering in the affirmative, I understand thoroughly there are some of our own people, the working people, who may claim that the returned soldier, by reason of his training, may displace quite a number of our people. But looking at it from the broad, humanitarian standpoint, the best service we can render our people throughout Canada is to give these wounded soldiers an opportunity to earn their own living, and by all means we should provide means whereby they can earn their own living.

Q. What is the best way of working that out and obtaining that result?—A. Now, Mr. Macdonell, I have not, I must say, given the matter sufficient thought in detail to give an intelligent opinion.

Mr. SCOTT: You would find a great deal of information in the French report.

By Mr. Macdonell:

Q. Is there any further information you would like to volunteer to the Committee? —A. I think that would cover the ground, I think that it has been covered. I support what Mr. Lawrence said as to rates.

By Mr. Nesbitt:

Q. With reference to the partial disability, you have heard what was discussed here this morning with Mr. Lawrence. Would you advocate paying the man's wife, if he was under a partial pension, anything extra?—A. No, because it is generally recognized that the husband is the provider for the family, and by his pension being adequate to meet the demands of the family that would be all that was required.

By Mr. Scott:

Q. The pension received by the partially disabled man would cover the impairment of his earning capacity?—A. Exactly.

Q. Therefore you would say it was not necessary for any additional allowance in that case?—A. Exactly, because his pension would cover that. It is altogether different in the case of a man who is totally disabled, or a widow.

The CHAIRMAN: We wish to thank you very much for your evidence, Mr. Watters.

Witness discharged.

Committee adjourned.

HOUSE OF COMMONS,
COMMITTEE ROOM No 306.
WEDNESDAY, April 5, 1916.

The Committee met at 11 o'clock a.m. In the absence of Hon. Mr. Hazen, Mr. Nickle, on motion of Mr. Nesbitt, took the Chair.

The ACTING CHAIRMAN: Sir Herbert Ames is with us this morning and we would like him to tell us about the work of the Canadian Patriotic Fund.

Sir HERBERT AMES: Mr. Chairman, when I understood that this Pensions Committee was sitting, although unable personally to attend as a spectator, as I should have liked to follow the deliberations, I thought possibly the experience of the Canadian Patriotic Fund from day to day in dealing with soldiers' dependents might be of some value to the committee and of some value to the record. I do not pretend to offer any suggestions regarding the treatment of disabled soldiers. Mr. Scammell, who represents the Hospitals Committee, has made that a matter of study and their commission is far more capable of dealing with that matter than I am, but our experience for the last twenty months has been entirely with the soldiers' dependents and possibly we may have acquired some information that may be of value to your Committee in its deliberations. In the first place, as nearly as we can judge, about 15 per cent of the men who enlist have dependents and certainly these men can be regarded as the breadwinners of their respective families. I understand that the Government pays between 50,000 and 60,000 separation allowances, and we issue, exclusive of the province of Manitoba, about 35,000 cheques in helping families from the Patriotic Fund, leaving 15,000 families that apparently are not in need of further assistance than they get from the Government alone.

Mr. NESBITT: All of the ridings are not subscribers to your fund.

Sir HERBERT AMES: There are only a few independent organizations. The province of Manitoba has an independent organization run on precisely the same lines as ours and working in the utmost harmony with ourselves. There are only technical reasons why they do not belong to us; reasons which originated at the beginning of their fund through a trustee arrangement which they had and which rendered it, according to their by-laws, rather difficult. But they parallel our methods, in every respect. All our knowledge, all our records, all our advice, assistance and supervision is at their disposal. There are no independent organizations in British Columbia to our knowledge. Chilliwack was the last, and that has come in; there are none in Alberta; I think there are none in Saskatchewan; Manitoba has a homogeneous provincial organization. The only places in Ontario to-day that are not directly connected with us are Sarnia, Preston, Paris, and Fort William. I do not know of any other.

Mr. NESBITT: Norfolk has come in?

Sir HERBERT AMES: Norfolk came in. So this list gives a fair indication of the conditions in all the provinces of the Dominion in connection with the work among the soldiers' dependents. It covers New Brunswick, with the exception of Grand Falls, which has a private organization ,and throughout Nova Scotia the work is done through a number of executives, and is very well done, so that our records practically may be taken as indicative of conditions in every part of Canada with the possible exception of Manitoba. We would send the Manitoba statement if desired.

The ACTING CHAIRMAN: What classes do you include within the word "dependents."

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Sir HERBERT AMES: We are a little broader in our idea of the word "dependent" than the Government is. There are two classes of dependents, as we know them. Those that are directly dependent in toto, and those that are indirectly or partially dependent. Those that are directly dependent, we consider to be the wife of the soldier and the soldier's children, also any invalid member of the soldier's family. We also consider the only unmarried son of a widowed mother, where she was wholly dependent on him for support—there may be other children in the family under fifteen years of age—but we regard that widowed mother exactly as a wife. We also, to a lesser degree, recognize indirect dependents. For example: there were two sons in a widow's family, and both of them had been earning comparatively small amounts, and one went to the war and the other did not, but the family could not be adequately supported on the earnings of the one that remained. We endeavoured to replace to the family the net value of the man who did enlist, bringing the family to the same position that they otherwise would be. That is what we call the problem of indirect dependents, and it is impossible for any rules to be laid down, but our local branches deal with a case of that kind on its merits, relying on two fundamental principles: first, that the family must be in need in case there was no Patriotic Fund; secondly, that the family must have been to a certain degree, dependent on the man who enlisted. Resuming what I was saying a moment ago, we judge that 40,000 families, including Manitoba and those independent organizations, are to-day receiving assistance from the Patriotic Fund, and that is within 10,000 or 15,000 of the Government figures of those who get separation allowances; from which we conclude that about 25 per cent of those who get separation allowances need nothing more, and are satisfied, either from having private revenues or otherwise, with what they get from the Government.

Mr. NESBITT: Beside that, the separation allowance is granted, I imagine, to some people that you really would not make a grant to?

Sir HERBERT AMES: The separation allowance is regarded by the Government as part of the man's pay, and goes to his wife just the same whether the wife needs it or not. The Government approaches the family purely from the point of view of the efficiency of the soldier. If a millionaire and a coachman both enlist as privates, Mrs. Millionaire and Mrs. Coachman each get $20. It is of little account to Mrs. Millionaire; but it is not enough for Mrs. Coachman if she has four or five children. The Patriotic Fund views the matter not from the soldier's point of view, but co-operates with the Government view; it meets the need of the family, and wherever the family needs more than it is getting to come up to the scale of decent living, we provide that addition. We represent for 40,000 families in Canada the difference between bare existence and decent living. Now, that gives you, to some extent, an idea of the possible maximum of widows and widowed wives and mothers and dependent families that the Government may have to provide for in case of very heavy casualties. The other evidence that possibly I might give that would be of value would be as to the composition of the families, and the amounts which the families receive.

(At this stage Hon. Mr. Hazen arrived and took the chair).

Mr. NESBITT: It is the average composition we want to get.

Sir HERBERT AMES: We have been surprised at the smallness of the families. There are many exceptional cases of families of six, eight and ten children. But the families of the men that come to us are, for the most part, compartively small owing, we believe, to the fact that most of the men who enlist are comparatively young. I have here our January record. We have 28,435 families to look after; they contained only 77,042 persons, which, you will see, is less than three persons per family. Generally speaking, we consider our average family to consist of a woman, a child running about, and a baby; and, making due allowances for possible increases in families, I do not think that if all the dependent families became bereaved families by the loss of the bread-winner that they would average more than three individuals; a woman and two children would be about the average. Now, we have found, in dealing with the

Patriotic Fund, that the Government's allowance is a fixture of $20 a month, and the Government's allowance goes to every soldier's wife alike, wherever she may live in Canada. But $20 will do a great deal more in Prince Edward Island than it will do in the Yukon; and, consequently, the Patriotic Fund, in endeavouring to determine the amount of supplementary assistance, varies with each province, and, to some extent, varies as between an urban and a rural community.

Mr. GREEN: You would not suggest that the Government in connection with pension funds should differentiate at all?

Sir HERBET AMES: No. All I would suggest would be that the Government would have to bear in mind the maximum and the minimum, and try to strike a fairly happy mean between the two. Now, taking the Dominion as a whole, our average monthly assistance per family was $16.30 in the month of January. It is a trifle lower to-day because of some slight amendments in our regulations regarding childless wives; but, generally speaking, the Patriotic Fund gives about 50 cents a day to the families throughout Canada as a whole. Now, the amount varies with the different provinces, and, perhaps, for purposes of record that information may be of some value to you. Those soldiers' dependents that are living in Newfoundland receive on an average $11.81 per family; those living in Prince Edward Island receive about $10 per family; those in Nova Scotia receive $13 per family; those in New Brunswick averaged in January, $14.58 per family. In the province of Quebec, the whole province, they averaged $13.16 per family. Throughout Ontario, where we had 13,458 families, the average was $15.23 per family.

Mr. NESBITT: The highest of any?

Sir HERBERT AMES: So far, yes. It goes gradually higher as you go West. I cannot give you the Manitoba figures, but I can get them for you. Saskatchewan is the highest of all. The Saskatchewan families, numbering 11,273 in January, averaged $23.19. There is a reason for that, however, which does not appear on the surface, and it is this, that the Saskatchewan organization regards whatever the husband sends back as his money, and re-deposits the equivalent amount monthly to the credit of the family in a trust fund. Consequently the Saskatchewan organization is accumulating a very considerable amount which is to be paid out to the soldiers' wives and families when the men come back from the front as representing the money which the men themselves have sent back. In the other provinces that is not tried except voluntarily, and the averages, therefore, of the other provinces cannot be compared with those I have already given.

Mr. NESBITT: In Saskatchewan you equalize what they receive?

Sir HERBERT AMES: We equalize what they receive. That is, if a woman says she is getting $15 per month from her husband, we take $15 out of what she would get from the Patriotic Fund, and deposit it to her credit in a trust account. If she says that, in addition to that $15, she must have one-half of it, we deposit the other half, and if the woman has any back debts to pay or doctor's bills, the money is taken from the amount to her credit in the trust account. That trust account is her reserve account, the idea being that at the end of the war when the man comes back home this money will be available for him and his family during the reconstruction period, to be paid in instalments spread over two or three months in order to give him an opportunity to look around and obtain a job. Now, in southern Alberta the average is $19.92 and in northern Alberta, $20; in Vancouver the average is $20.22, for Greater Vancouver, against all British Columbia $20.61. So that, generally speaking, the eastern provinces run from $10 in Prince Edward Island to $15.23 for the eastern half of Ontario, while the western provinces all run about $20 a month. That is the statement of the supplementary assistance which the soldier's family receives. Now, of course, it must be remembered that in nearly all these cases, not all of them, but in a great many of these cases, by far the greater portion of them, these families already receive $20 separation allowance, and, in a great many cases, they also receive "assigned" pay. So that the initial income of most of these families is $35 a month and when you want to ascertain

just what the family is living on you have to add that $35 a month to the Patriotic Fund payment. Hence, generally speaking, families of three persons in the East to-day who are helped by the Patriotic Fund average from all sources $60 a month, or $2 per day, while families that are of the same size in the West average about $5 more, or $65 per month from all sources. We have been somewhat criticised for paying as much as we do, but we have justified it on two counts: first that the very large number of families whom we helped were in debt when the men enlisted, and we always urge the women to use the money that the husband sends to pay off these debts; after they have done that we ask them, if the home is run down, to use the money he sends to refurnish the home and often after they have done that we urge that the children and the mothers themselves be well clothed from that money. We do not calculate that the $35 a month for a woman and two children can pay the back debts or refurnish the home or will provide any clothes for the children, consequently we always urge them to use the money the husband sends home as assigned pay for those purposes.

Mr. NESBITT: Have many of them assigned their pay, do you know?

Sir HERBERT AMES: Yes, the assignment of pay is almost universal. It has been compulsory latterly; it was optional at first. And usually the assigned pay follows the separation allowance; wherever a man indicates that his wife or his mother needs a separation allowance, it follows automatically that $15 of his pay goes to her as well. Consequently the assigned pay has been, to a large extent, used in pulling up the home conditions of a great many of these families, and any of our Patriotic Fund committees will tell you that the general condition of the families to-day, after they have been six months on the fund, is very much better than when the same families were first taken on. Now we are also endeavouring, to a considerable extent, after the debts are paid, the house furnished and the children clothed wherever we can get the woman to save a portion of this assigned pay which the husband sends home, to preach to them that the husband may be out of work for a time, and it is desirable for them to have a nest egg as against his return. Now, it must be taken into consideration by this committee that the woman who loses her husband will, generally, have been on the Patriotic Fund for a fairly long time. It takes, as you know, about from six to ten months to get a regiment recruited, armed and trained and sent across into the firing line. During that six or eight months nearly all of these families have reached the level of decent subsistence if they have been in any way careful of the amount which was given them, so that by the time the Government gives these families a pension the woman is outfitted in conformity with her situation in life. The first pension she gets, usually three months after her husband's death, is for three times the amount she will thereafter receive. If she is in receipt, we will say, of $35 a month, she will get a cheque for $105 in one cheque when her first pension cheque comes in. That enables her to buy mourning, and to pay any debts she has, before she enters on her new phase of life. Therefore when you come to consider whether the present pensions are adequate, I think you should not expect that they would have to be put to the equal of the Patriotic Fund totals to-day, because the Patriotic Fund has had to offer a certain amount of inducement to stimulate the enlisting, and because, also, the Patriotic Fund has had to pull a great many families up to a decent scale, and you are going to provide pensions to families that are fairly well established.

The CHAIRMAN: When you say "Patriotic Fund total" that applies to the separation allowance, the assigned pay and the Patriotic Fund allowance?

Sir HERBERT AMES: Yes. Consequently, I do not think you will be justified in bringing the pension for a woman and two children up to $60 a month, which is practically what such a family now receives from all sources, during her husband's absence, throughout Eastern Canada, or $65 a month which is the average throughout Western Canada. If there are any questions the members of the committee would like to ask along that line I will be very glad to tell you what our experience has been. I have here what we call our maximum city schedule of assistance, what a wife having no children, or one or two children, or more, with their ages and so on would receive if

you desire to have it on the record. I may say in reference to that schedule that that is what we call our maximum city schedule. It is very rarely that the local committees give just what is fixed in this maximum schedule; they usually shade it down 10 to 20 per cent, but we publish it in order that we may have a certain check in case any local organization gets out of hand and endeavours to give too generously. It was originally drafted for conditions in Montreal and Toronto where rents are higher, and to-day the rates paid in Toronto and Montreal may be less than this schedule.

Mr. MACDONALD: When does the Patriotic Fund allowance stop?

Sir HERBERT AMES: In the case of a woman who has lost her husband it continues until her first pension cheque comes.

Mr. MACDONALD: And in the case of a man who is invalided home?

Sir HERBERT AMES: The Patriotic Fund does not consider the man, we have felt that is work that belongs to the Hospital Commission, but the Patriotic Fund does continue to help the woman and the family if the man has come home invalided and is sent to a sanitorium, or for any reason is not permitted to live with his family. In such cases we see that the woman does not suffer so long as the man is in an invalid condition in this country.

Mr. NESBITT: I suppose when he is in a convalescent home he is still getting his pay?

Sir HERBERT AMES: If he is in a convalescent home we still help that man's family, provided the family would be in need otherwise after receiving what the Government gives them while the man is in the convalescent home.

Mr. MACDONALD: In other words, so long as he is on the list as a member of the military forces.

Sir HERBERT AMES: Yes, until the Government says that man is disposed of.

Mr. NICKLE: You still look after the woman?

Sir HERBERT AMES: As far as the women and children are concerned we have tried to do so.

Mr. NICKLE: I think that has not been the case always.

Sir HERBERT AMES: Yes, it has been in Montreal. We have several families in Montreal where the fund is still continuing to help them. We do not have many cases of that kind, but if the woman should come to us and say that her husband had come back, that he was in a sanitorium, and that she, with her large family, was still in need, the Patriotic Fund would help her to a certain extent so long as the husband was in a sanitorium.

Mr. NESBITT: Do you know if the Government pays separation allowance in that case?

Sir HERBERT AMES: I do not know just what the Government pays; but I understand so long as the man is not discharged his pay goes on just the same as if he were at the front.

Hon. Mr. LEMIEUX: Who would pay for his board at the sanitarium, the Governernment?

Sir HERBERT AMES: Yes, the Government.

Mr. MACDONALD: You have not any data to show the living allowance for a man who was receiving a pension, but you have an approximate estimate of what that ought to be by reason of the allowance you found necessary for his wife and children?

Sir HERBERT AMES: Our statistics relate entirely to the man-less family.

Mr. MACDONALD: Well, for the man-less family, for the condition of course according to the degrees of disability of the man, do you think that the amount should be increased over what your allowance should be, as a matter of permanent pension, or should it be lessened?

Sir HERBERT AMES: In view of the fact that when the widow receives her first pension cheque she will, in all probability, have been enabled with the assistance of the Government and what she receives from the Patriotic Fund, to have paid her debts and have a comfortable home on which a continued capital outlay is not necessary, I

would consider that the scale we have been paying could be reduced where there is a man-less family. Where the man is added, the care of the man is added, it would almost seem to me that our scale could not be reduced; if you have the man to care for as well.

The CHAIRMAN: That is if the man is helpless.

Sir HERBERT AMES: If the man is totally helpless.

Mr. MACDONALD: The pension has to come in then to supplement the Patriotic Fund?

Sir HERBERT AMES: Yes, I think that is fair. I will leave this statement with you, the members of the committee can pass it around, and you can see what the average is, in the different localities. It varies, not very much, but it is remarkable how evenly the Ontario cities average, when they work out along the same lines. The cost of living is higher up in that section along the line of the T.N.R., it is also higher along the line of the C.P.R. and the National Transcontinental Railway in those northernmost places, such as Port Arthur. There was, generally speaking, throughout the settled part of Ontario, very little variation between districts in the amount that the local committees have by experience determined to be sufficient. Now there is another matter I would like to bring to the serious consideration of this committee with a view, if possible, of getting a recommendation from this committee. That is the position in which the wives and families of British reservists, and of French and Belgian reservists, find themselves in Canada when the man is killed.

Mr. MACDONALD: You mean men in the Canadian Expeditionary Force?

Sir HERBERT AMES: No, in the British and other allied forces. When the war broke out the first people of all to go were the British reservists. They did not wait to be drafted but immediately flocked to the colours.

The CHAIRMAN: These British reservists are usually paid something by their Government are they not?

Sir HERBERT AMES: Yes. And the casualties among these British reservists have been very heavy. They took the first boat across and joined their regiments on the other side, and they left families scattered from one end of Canada to the other. These men came out here with the intention of becoming citizens and settlers, and they are, many of them, in every sense of the word, Canadian citizens. They will receive, when the war is over, only the British rate of pension, and if that British rate of pension is lower than the Canadian pension it means they have to adopt a scale of living, if they come back and reside in Canada, below what we believe to be a decent scale. Now, I want this committee to very seriously consider whether the services which these men have given to the Empire and the services which these women are rendering are not worthy of consideration and recognition.

Mr. NESBITT: You keep them on the Patriotic Fund?

Sir HERBERT AMES: Yes, we have had them on the Patriotic Fund from the beginning, and we pay them the same as we pay the Canadian families, because they get so much less from their own Government than the Canadian families get. I would ask this committee to take into their serious consideration the question whether they should not recommend that the difference between the imperial pension and the Canadian rate of pension should be made up to them in the case of families where they have taken up residence in Canada before the war broke out and where the man comes back to Canada intent on making his living in this country and on bringing up his family here.

The CHAIRMAN: I suppose it is a fact that a great deal of money paid in pensions will go to people living in the British Islands?

Sir HERBERT AMES: A considerable quantity.

The CHAIRMAN: And those people who are drawing pensions from us will, in all probability, receive larger sums than the dependents of the man who enlisted in a British regiment, living in England?

Sir HERBERT AMES: That is true. Still when you come to consider the condition of the individual family, the fact that Mrs. Jones living in England gets more than the English rate does not help Mrs. Smith living in Calgary, who is getting less than the Canadian rate.

The CHAIRMAN: Did not these men who enlisted in the British service receive during the time they were living in Canada from the British authorities a sum of money on condition that they were to go back to the colours?

Sir HERBERT AMES: That would be a small amount.

The CHAIRMAN: It was their duty to go back to the British regiments. They could not have enlisted in a Canadian regiment had they desired to?

Sir HERBERT AMES: That I cannot tell you.

Mr. NESBITT: Do you know they were paid?

The CHAIRMAN: I think they were, but I am asking Sir Herbert if he knew.

Sir HERBERT AMES: If you get the secretary of the Imperial Pensions Board at Ottawa, he can tell you about that.

Mr. GREEN: Are the reservists largely officers or men?

Sir HERBERT AMES: Largely men.

Hon. Mr. LEMIEUX: When the British reservist is killed in action, does the Patriotic Fund continue to pay his family?

Sir HERBERT AMES: That has been where the difficulty has come. We have at the present time a certain number of families on our fund, that, strictly speaking, we do not feel ought to be still on the Patriotic Fund. But we cannot drop them; you cannot drop the wife of a British reservist with six or seven little children if her husband has been killed, and before she gets her British pension. When the British pension does come it will be inadequate for her to live on in Canada.

The CHAIRMAN: If these people have enlisted in British regiments, why should not the British government make provision for them?

Sir HERBERT AMES: If the British Government are prepared to pay a Canadian rate of pension to a reservist remaining in Canada, it would be all right. You might possibly make an arrangement with the British Government by which you will pay British rates in England, and they will pay the Canadian rates in Canada. But I do not think they will do that.

Mr. NESBITT: We would not want to do that.

Sir HERBERT AMES: The problem is this, gentlemen, and I think you will see it. You have in the same town two families; the two men have gone to the front; one is fighting in an Imperial regiment, and the other in a Canadian regiment; both are bona fide residents of the town, both men intended to remain there; both intended to bring up their four or five children there. And yet the widow whose husband was in a Canadian regiment will receive an adequate pension to live upon decently, and the other, because her husband went in an Imperial regiment, cannot live on her pension in Canada.

The CHAIRMAN: Then we are only responsible for those men who go overseas with the Canadian Expeditionary Force?

Sir HERBERT AMES: Aren't you also responsible for these women who do come out to Canada, intending to become Canadian citizens, to see that they live decently and comfortably, so that they can bring those little children up in an adequate way? We have been up against this problem so often that we have been obliged to advise again and again that the woman take her children back to England. When you have a woman planted in a Canadian town, with a nice family of clean, little children, and her breadwinner gone, it seems a great loss of human energy to say to that woman: "Your pension will be so small that you cannot live in Canada; we will give you your passage to go back to England."

MR. GREEN: Will we be any more responsible for those who were here at the outbreak of the war than for those of the same character who come after the war?

Sir HERBERT AMES: Yes, because those here before the war had no expectation of the war, and they came here with the intention of becoming Canadian citizens. Those coming out in the face of a recognized ruling would know perfectly well what they could or could not receive. I would not apply it to those who were not bona fide residents of Canada before the war.

Mr. NICKLE: Supposing they returned to England?

Sir HERBERT AMES: I would put them on the English pension, if they subsequently returned.

The CHAIRMAN: They will get the English pension. You say we should supplement it.

Sir HERBERT AMES: I say that the English pension in Canada is inadequate, particularly in the western provinces; that a woman in Calgary, Edmonton, or British Columbia, with a family of four or five little children, cannot live decently on a British pension.

Hon. Mr. LEMIEUX: Who administers her pension?

Sir HERBERT AMES: The Imperial Pensions Board. You could ask the secretary of that board to come before the committee.

Hon. Mr. LEMIEUX: Who is the secretary?

Sir HERBERT AMES: Mr. Ferguson Davidson. It is an Imperial creation.

Mr. MACDONALD: We ought to have that gentleman here.

Hon. Mr. LEMIEUX: The Deputy Postmaster General and the Deputy Minister of Militia were at one time the secretaries or administrators of that fund. Sir Herbert, before you proceed, I would like to get some explanations from you. You were speaking about the status of the British Reservist, and you mentioned also the French and the Belgian Reservist.

Sir HERBERT AMES: I am coming to that.

Hon. Mr. LEMIEUX: I want to hear about them.

Sir HERBERT AMES: I was going to enlarge my appeal so as to include the French and Belgian reservist. They are in exactly the same condition.

Mr. MACDONALD: Can you give us any idea of the number?

Sir HERBERT AMES: In a general way I can give that now.

Mr. GREEN: What about the Italian and Russian reservists?

Sir HERBERT AMES: I am coming to that. When the Patriotic Fund first was inaugurated it was found that practically every Frenchman or Belgian of military age was going from Canada to the old country. There are not many wealthy Frenchmen or Belgians in Canada, and the task of providing for their families if it fell wholly on the local Franco-Belgians, would have been a heavy task indeed. One of the first things the Patriotic Fund took up was our attitude towards them. We felt, from a patriotic point of view and an internatinal point of view, that we should extend the Patriotic Fund to a sufficient width to include the Franco--Belgian families, which we did. And, through the assistance of the French and Belgian consuls, we have given help wherever necessary throughout Canada, and we give on the certificate of the consular agents of Belgium and France each month the necessary sum to bring the Franco-Belgian families up to the scale of the decent subsistence.

Hon. Mr. LEMIEUX: Can you give the amount approximately?

Sir HERBERT AMES: We are paying, through Montreal, to Franco-Belgians about $10,000 a month, since the war began.

Mr. NESBITT: Have they subscribed themselves?

Sir HERBERT AMES: Anything they could raise they turned into our common fund; they have given generously and handsomely. We have been paying through Montreal nearly $10,000 a month for probably a year and a half for Franco-Belgians. We are doing the same at Quebec; we pay at Quebec about $1,200 a month. And then we also have probably another $700 or $800 in scattered families in out-of-the-way places all

over the Dominion. We have a certain number of Belgian families at St. Boniface, near, Winnipeg, and in upper Alberta. So, I estimate we are paying about $12,000 a month to Franco-Belgians, which represents the difference between what they get from their own Governments and what they need here for adequate living.

Hon. Mr. LEMIEUX: What is done when the French or Belgian Reservist is killed?

Sir HERBERT AMES: That is exactly the question you have raised. What are we going to do with the French and Belgian families here in Canada? They are a very industrious and very excellent population. The Belgians, particularly, are miners and industrial workers in high class establishments. The French are, many of them agriculturists, and excellent agriculturists and they are scattered through all the high class trades of Canada, from one end of the country to the other. So long as the Patriotic Fund carries them these women and children can remain here, but the moment the war is over and we drop the mto the pension that the French and Belgium Governments give, it is so infinitesimal that they will be almost penniless. Yet they are a very estimable class of the population. We bring them out here with their young children and they become planted here with the intention of living in this country and becoming good citizens and are able to support themselves.

Hon. Mr. LEMIEUX: What is your own view about that?

Sir HERBERT AMES: My own view is that after all Canada is engaged in a great national struggle and has taken her part in it, and all our desire has been to keep people of this character in Canada and to have their children brought up and educated as well as ours. If we desire to do this we ought to include them in our pension. I feel it would be recognized by France and Belgium as a splendid act of international courtesy, and I think we could get it back over and over again after the war is over in the return that would come to us by the feeling that would be created in those countries that we Canadians were prepared to deal generously with people of that class.

Hon. Mr. LEMIEUX: Just here, because you follow the trade estimates of the country, is it not a matter of fact that since the beginning of the war our trade with France has increased enormously, compared with what it was some years ago?

Sir HERBERT AMES: I understand there is a very friendly feeeling along trade lines between Canada and France and Belgium, and the matter is going to become one of serious study on the part of the Dominion Government as to how our trade relations with those countries can be increased.

The CHAIRMAN: There are a number of men who entirely for reasons of their own, have left their Canadian regiments and joined the Imperial regiments. Do you think those men should have the same pension as they would have received had they stuck to the Canadian forces and fought with them throughout the war?

Sir HERBERT AMES: You ask me my own opinion and it is going to be a broad opinion. I believe that any man who was a bona fide resident of Canada before the war broke out, who came here intending to remain here and help build up the country, whatever force that man fights with makes little difference to us, we should take care of that man's wife and children if he goes across there to fight in the common cause.

Mr. NICKLE: You put it on social as well as international grounds?

Sir HERBERT AMES: I put it on two grounds, first, that it will redound largely to the credit of Canada as indicating the large heartedness of its people, and secondly on the ground that these people are here, they have come to this country where they are going to bring up their children and we do not want to have to send them home.

Hon. Mr. LEMIEUX:—Just to illustrate what you say, I met on Monday morning a young engineer, whom you know well, in Montreal, Monsieur Pierre Charton. He is a young Frenchman who came here with his mother probably some years ago and he has joined the 85th Battalion in Montreal; he was a lieutenant, I think, in that Battalion. He enlisted immediately when the war was declared, that is to say he joined the colours in France, being French born. I saw him the other day, he got leave of absence, and came to my office and said, "I am returning, I am just here eight days." I put the question to him, "How much have you received in the French Army?" He said: "Well, it is infinitesimal."

APPENDIX No. 4

Sir HERBERT AMES: The French Government allows 25 cents a day separation allowance and so much for each child. The money is sent through the French Consul in Montreal. At most, a woman and three children would only get from the French Government 45 cents a day on which to live in Canada, and the pensions are on the same scale.

Hon. Mr. LEMIEUX: I said to the young man, "Why didn't you join the Canadian Expeditionary Force?" And he said, "My father fought in 1870 and was made a prisoner by the Germans and I wanted to be there in the French Army where my father had fought." I told him that he was labouring under a disadvantage, that he would have received better pay in the Canadian Force, and his reply was. "It matters not where I fought, we were all fighting for the same cause." Now, here is a young civil engineer of repute in Montreal with a bright future before him and he made that sacrifice knowing he would receive less pay from the French Government.

The CHAIRMAN: He was not a reservist, he was not compelled to go back?

Hon. Mr. LEMIEUX: He was not compelled to go back, because he could have enlisted in the Canadian Expeditionary Force, being a Canadian officer. Yet he went as a French reservist.

Sir HERBERT AMES: Let me give you another parallel case. We are training in connection with all our universities at the present time, university battalions. Canada has rather a surfeit of young officers, as you will know, any of you who have friends who want to get their boys made officers. We are constantly sending oversea companies to reinforce the Princess Pats, each company contains 250 men, and the 5th company is just ready to go now. These men have been told that if they make good in their preliminary training they are very likely to be transferred as officers to British regiments. So far a great many of those college men have been transferred. Now every one of them when transferred to the British regiment will be a British soldier, and when it comes to a matter of pension will be given a British pension.

The CHAIRMAN: That will be to his advantage if that is the case, because the British scale for officers is very much larger than ours, while for the rank and file it is less.

Sir HERBERT AMES: That is all right then, in their case.

The CHAIRMAN: Would you say that the officer who having joined the Canadian Force afterwards went into the British Army should take the Canadian pension which is lower than the British? Our officers would not thank you for that. How will you get over that?

Sir HERBERT AMES: I should think if you have to choose between the two horns of the dilemma it will be better that those who are in the better position by reason of receiving the British rate should continue to receive those rates; and those who are in a better position by receiving the Canadian rates should continue on those rates. But what I feel seriously about is the position of those who, if matters stand as they are, will fall far below the scale of decent living if they remain in Canada. Now, for example, we will take the Temiskaming district, where you have a section of country into which a large number of settlers who came from France have gone and have taken up their homes. They enlisted when the war commenced, some of them have big families. Now the men have gone and we are helping through the Patriotic Fund at headquarters—the people up there are scattered over that section of the country. If any of these men are killed those families will have an income of from 30 to 40 cents a day from their Government for the rest of their lives. Now what are we going to do about it? Are we going to allow these women with their families of little children to starve up there?

The CHAIRMAN: Have they no farms up there upon which they can depend? I know of many women in this country who were left with little families on the farm, and where there was no man, who get along very well. I know a man who is in Parliament to-day who was brought up under those conditions.

Mr. NESBITT: I know of a woman in Oxford county who has six children and when her husband died she was $600 worse off than nothing. She has paid off her bills and bought another place the year before last.

Sir HERBERT AMES: I cannot help but think if one of these men is killed in defence of the cause of freedom we owe just as much to that family in Temiskaming as to any other family in Canada.

Hon. Mr. LEMIEUX: About what will it cost to pay these Reservists, whether they be British, French, Russian or Serbians? What will it cost approximately?

The CHAIRMAN: I think it will be very difficult to work that out in view of the great difference in the pay of the officers and men in the different countries.

Sir HERBERT AMES: I do not feel that over-payment of one family is a justification for starvation of another.

Hon. Mr. LEMIEUX: If we have the figures we can ascertain about what the cost would be.

Sir HERBERT AMES: We are paying under the Patriotic Fund at present about $600,000 a month. Of that total $12,500 is for the Franco-Belgian families; that is about 2 per cent. I do not think it would cost more than 2 per cent additional, taking it for granted that the casualties would be about the same among the Franco-Belgians as ourselves.

The CHAIRMAN: Of course there are a number of French reservists in the Civil Service, who, when they went home to join the colours in France, were placed on the same basis as Canadians in the Canadian Expeditionary Forces.

Hon. Mr. LEMIEUX: There was one man in Montreal who was in the same position. He is getting his full salary.

Sir HERBERT AMES: If desired by your committee we can tell you what proportion of our total number are British reservists and what proportion are Franco-Belgians, and that will give you roughly about 2 per cent.

The CHAIRMAN: Are there no Russians nor Italians.

Sir HERBERT AMES: There are a few Italians that are being helped, possibly 100 Italian families. In cities Italians are usually found in large boarding houses, a number of families together, and comparatively few of them have come to Canada intending to remain. Those who are actually resident here, and have brought out their wives and families and are living in separate houses, showing that they are domiciled here, we help. We do not help them where they are in big boarding houses gathered together. There would be comparatively few Italians on the list.

Mr. NESBITT: There are some Italians who have joined who are in very good circumstances, who live in separate houses and who are good Canadians.

Sir HERBERT AMES: Undoubtedly, those are the class we help, and we are glad to help them but where the Italians go to some big Italian boarding house where they live largely in a communal way we do not help such families. Well, gentlemen, is there anything further? I will be very glad to give you any further information that will be of service.

Mr. NESBITT: I think it would not be a bad scheme if Sir Herbert Ames were to give us a statement of the number of British reservists as well as the number of Franco-Belgian and other reservists of the allied nationalities.

Sir HERBERT AMES: If your clerk will address a letter to the secretary of the Canadian Patriotic Fund asking for the number of Canadian families, the number of British reservists, army and navy, the number of Franco-Belgians and of Italian families, we could give you that information. (See page 184.)

Hon. Mr. LEMIEUX: And your view is decidedly in favour of putting all on a footing of equality?

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Sir HERBERT AMES: I am very much in favour of that for the reasons I have advanced, and also, possibly, from the fact that our association with the French and Belgian committees has been so cordial and so satisfactory that our sympathies are to some extent drawn in that direction. We cannot help but feel that it would be very much appreciated by the French and Belgian Governments and that the amount involved would be very small as compared with the question of our own self-respect and the observance of the comity of nations.

The CHAIRMAN: The whole question is whether the British Government will look after those who fought in their own army. If we do it for one we should do it for all.

The following statements were handed in by Sir Herbert Ames, for the information of the committee:—

Sir Herbert Ames then withdrew.

(9) CANADIAN PATRIOTIC FUND—FINANCIAL STATEMENT.

COMPARATIVE STATEMENT of Disbursements by Head Office and Branches during the month ending January, 1916.

Branch.	Total Number of Families.	Monthly Regular Cases.				
		No. of Families.	Regular Monthly Payments Thereto.	Average Monthly Assistance per Family.	No. of Individuals.	Average Monthly Assistance per Individual.
			$ cts.	$ cts.		$ cts.
Head Office—						
Officers' dependents.....	46	46	1,015 00	22 07	.....	....
Soldiers' dependents in unorganized towns....	53	53	775 37	14 63	.....	.....
British Columbia—						
Soldiers' dependents....	1,431	1,431	29,500 00	20 61	3,792	7 78
Vancouver—						
Soldiers' dependents....	1,699	1,699	34,348 45	20 22	4,207	8 16
Alberta North—						
Soldiers' dependents...	1,485	1,485	29,710 17	20 00	4,274	6 95
Alberta South—						
Soldiers' dependents....	1,777	1,776	35,377 65	19 92	3,782	9 35
Saskatchewan—						
Soldiers' dependents...	1,273	1,273	29,523 25	23 19	3,398	8 68
Nova Scotia—						
Soldiers' dependents....	1,669	1,669	21,718 14	13 01	5,665	3 83
Prince Edward Island—						
Soldiers' dependents....	120	120	1,198 50	9 93	231	5 19
New Brunswick—						
Soldiers' dependents....	1,377	1,358	19,809 55	14 58	3,263	6 07
Newfoundland—						
Soldiers dependents....	15	15	183 00	11 81	32	5 72
*Ontario—						
Soldiers' dependents....	13,725	13,458	203,984 85	15 23	38,223	5 34
Quebec—						
Soldiers' dependents....	4,059	4,052	66,138 70	13 16	9,175	6 14
Totals, Soldiers' dependents.....	28,729	28,435	473,282 63	16 30	77,042	6 02

* For details of each branch see supplementary sheet attached hereto.

Remarks and suggestions regarding above statement:—$9,750 Montreal France Belgian Committee not included in arriving at average assistance per family.

COMPARATIVE STATEMENT of Disbursement of Branches in the various Provinces.

Branch.	Total No. of families.	Monthly Regular Cases.				
		No. of families.	Regular monthly payments thereto.	Average monthly assistance per family.	No. of Individuals.	Average monthly assistance per individual.
First Class Branches—			$ cts.	$ cts.		$ cts.
Prince Edward Island (Province)	120	120	1,198 50	9 98	231	5 19
Nova Scotia	1,669	1,669	21,718 14	13 01	5,665	3 83
St. John, N.B	878	876	12,824 90	14 64	1,979	6 49
Quebec City and District	158	157	2,430 04	15 48	386	6 32
Quebec (Franco-Belgian)	48	48	1,167 30	24 32	127	9 19
Montreal City	3,338	3,338	45,967 50	13 77	7,343	6 26
Montreal (Franco-Belgian)	.....	.....	9,750 00	.....	.....	.....
Kingston, Ont	321	315	4,937 30	15 67	921	5 36
Toronto, Ont	5,862	5,862	90,550 95	15 45	19,110	4 75
Hamilton, Ont	1,468	1,458	21,109 50	15 54	3,327	6 34
Ottawa, Ont	1,007	1,007	14,112 27	14 01	2,154	6 56
Saskatchewan (Provincial)	1,273	1,273	29,523 25	23 19	3,398	8 68
North Alberta Branch	1,485	1,485	29,710 17	20 00	4,274	6 95
South Alberta Branch	1,777	1,776	35,377 65	19 92	3,782	9 35
Vancouver Branch	1,699	1,699	34,348 45	20 22	4,207	8 16
British Columbia (Provincial)	1,431	1,431	29,500 00	20 61	3,792	7 78
Newfoundland	15	15	183 00	12 20	32	5 72
Total	.....	.....	.....	.....	.....	.....

Remarks and suggestions regarding above statement:

SCHEDULE OF ASSISTANCE GIVEN BY CANADIAN PATRIOTIC FUND.

Eastern City Maximum—not to be exceeded and, where living is less expensive than in Montreal, Toronto, and other large cities, the scale should be somewhat lower.

1. Wife, having no children (in receipt of $20 per month as separation allowance and $15 or more per month as assigned pay), may, if in need, receive from the Canadian Patriotic Fund $5 or less.

	Per Month.
2. Wife and one child—	
(a) If the child is under 15 and over 10 years of age	$17 50
(b) If the child is under 10 and over 5 years of age	14 50
(c) If the child is under 5 years of age	13 00
3. Wife and two children—	
(a) If both children are between ages of 10 and 15 or if one between 10 and 15 and the other between 5 and 10	22 00
(b) If both between 5 and 10	17 50
(c) If one is between 5 and 10 and the other 5 years old or less	17 50
(d) If both are under 5 years of age	16 00
4. Wife and three children—	
(a) If all three are between the ages of 10 and 15, or if two are between 10 and 15 and the third under 10, or if one is between 10 and 15, two between 5 and 10	25 00
(b) If all three are between the ages of 5 and 10, or if two are between the ages of 5 and 10 and the third younger, or if one is between the age of 5 and 10 and two are younger	20 50
If all three are under five years of age	19 00
5. Wife and four children—	
(a) If the family includes one child between 10 and 15, and (2) a second child between 5 and 15, no matter what be the ages of the other two	28 00
(b) If including one child between 5 and 10, and the other children being of this category or younger	23 50
(c) If all four are under 5 years of age	22 00
6. Woman with five children—	
(a) If the family contains (1) one between 10 and 15 and (2) a second child between 5 and 15, no matter what be the age of the other children the maximum allowance may be given which is	30 00
(b) If the family include one or more children between 5 and 10 and others younger	26 50
(c) If all the children are under 5 years of age	25 00

[Sir Herbert Ames.]

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	Per Month.
7. Woman with six children—	
(a) If the family contains (1) one child between 10 and 15 and a second child between 5 and 15, no matter what be the age of the others, the maximum allowance may be given which is	$30 00
(b) If the family contains (1) one or several children between 5 and 10 and others younger	29 50
(c) If all the children are under 5 years of age	28 00
8. Woman with seven or more children, no matter what be their ages may be given the maximum allowance of	30 00

The above applies to wives of men, who have joined the Canadian Expeditionary Force, where they are in receipt of separation allowance from the Government.

It does not apply, in this form, to the families of British reservists, nor to French, Belgian or Italian families, whose separation allowance differs from that allowed by the Canadian Government.

Wodowed Mother—

If she depended entirely for support on an unmarried son who has joined the Canadian Expeditionary Force, she may, if in need, receive from the Canadian Patriotic Fund a monthly allowance not to exceed $10 00

Parents—

If the parents of a soldier in the Canadian Experitionary Force are both old and incapable of work and if they were entirely dependent on the soldier they may, if in need, receive from the Canadian Patriotic Fund, a monthly allowance not to exceed $20 00

(10) MILITARY SEPARATION ALLOWANCES.

British.

The separation allowance paid by the Imperial Government to the families of British Army Reservists residing in Canada is on a weekly basis but is paid every 28 days. As, however, the Canadian Patriotic Fund works on a monthly basis we have calculated the average monthly allowance received by the families and suggest that deductions at the rates given below should be made.

AVERAGE MONTHLY RATE.

—	Private and Corporal.	Sergeant.	Colour Sergeant.	Regimental Quarter-master Sergeant.	Warrant Officer.
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
For wife only	11 66	11 66	13 52	19 06	20 27
For wife and 1 child	15 38	15 90	17 81	23 31	24 56
For wife and 2 children	19 06	20 29	22 10	27 65	28 86
For wife and 3 children	22 86	24 56	26 39	31 93	33 19
For wife and 4 children	25 78	27 65	29 46	35 01	36 22

With an increase of $3.08 per month for each additional child.

N B.—The above rates do not include allotments from soldiers' pay.

French.

The French Government allows each soldier's wife 25 cents per day separation allowance, and 10 cents per day for each child. This money is sent through the Consul-General at Montreal.

Belgian.

The wives of Belgian reservists at present, owing to the devastation of their country, are receiving no separation allowance from the Belgian Government.

Italian.

The Italian Government pays a separation allowance equal to about $4 per month for a wife or mother, and $2 per month for each child.

The Committee adjourned.

HOUSE OF COMMONS,

ROOM No. 301,

THURSDAY, April 6, 1916.

The Committee met at 11 o'clock, a.m., Mr. Macdonnell presiding in the absence of the Chairman.

Mr. W. STOCKDALE, of the Imperial Pensions Branch, attended by request, and was examined as follows:—

By the Acting Chairman:

Q. Will you please tell the Committee what position you occupy and what information you desire to present to us?—A. I am, gentlemen, the accountant of the Imperial Pensions Branch in Canada, and I have occupied that position the whole of the time since the Dominion Government undertook the payment of these pensions. Previous to that for about fifteen years I was under the Imperial Government. I am not aware what kind of statement you desire, and perhaps it would be better for me to give replies to any questions you wish to ask.

By Mr. Nesbitt:

Q. There is a difference between the pensions we propose to pay in Canada and the pensions that are paid in England. Some of our men have gone to England and enlisted with the Imperial troops, and Imperial reservists have also left this country and are now serving in the British regular army. We want to know something as to the pensions that are paid in Great Britain?—A. Well, the Imperial pension in the case of a private who is totally disabled is 25 shillings per week. That is roughly a little over $6 per week. No distinction is made, so far as the Imperial Government regulations are concerned, between a married and an unmarried man, except that an allowance is given to children. The wife herself is not considered in any shape or form.

By the Acting Chairman:

Q. Then the English pension is nearly a dollar a day?—A. Just about a dollar a day. That is for a man alone.

By Mr. Nickle:

Q. It is $316 according to this table?—A. That is worked out, I think, on the basis of a dollar being equal to four shillings. The exact rate is $6.08 a week, that would pretty nearly make $316.

By the Acting Chairman:

Q. Is that a recent pension?—A. Since the war commenced the scale has been very much increased. For example, in the South African war, the scale for the same rank, a private, was 10 shillings.

By Mr. Green:

Q. It is now 25 shillings?—A. Yes.

By Mr. Nesbitt:

Q. Why do you make such a great difference between the rates for officers and privates?—A. That is a question which has been troubling this Committee as I gather from the evidence I have seen. The difference is caused in the Old Country to the

distinction between the two classes there being very much greater than it is here. In Canada, we have, as you all know, examples of men who are serving as privates who are possibly equal, if not superior, in social position to some of those who have commissions.

Mr. NESBITT: We are not considering it from a social standpoint.

By Mr. Green:

Q. Can you tell us what amount, if any, the reservists that were in Canada before the war broke out were receiving from the Imperial Government for retention on the reserve list?—A. Twelve cents a day. He got that from the time he was transferred from the active list, from the colours, to the time his engagement expired.

By Mr. Nesbitt:

Q. They were kept under pay?—A. All the time. The only duty an Imperial reservist has to fulfil whilst he is on the army reserve is to report quarterly to the officer who pays him.

Mr. GREEN: We may say the pensions are almost equal. And these reservists who went away were paid while they were here. I do not think we should worry about that class of people at all.

By Mr. Nickle:

Q. Will they get it if totally disabled?—A. The sixpence a day, they get that all the time they are in civil life, from the time they are transferred from the colours to the time their engagement is finished.

By Mr. Nesbitt:

Q. As long as they are kept on the reserve list?—A. Yes. I might say, to make this clear, that every enlisted man in the Imperial army enlists for twelve years, according to the arm of the service in which he is serving; and that twelve years may be spread out by five years in the colours and seven years in civil life, during which he is subject to recall at any time. Now, for the whole of the seven years that he spends in civil life he draws a retaining fee of sixpence a day.

Q. In addition to the pension? Supposing he has been injured?

Mr GREEN: Then he would be turned out, he would not be on the strength, if he was receiving a pension.

The WITNESS: If he is injured, he is discharged. If he is capable of further service he is transferred to the Army Reserve.

Mr. NICKLE: All these reservists here when the war broke out were regular soldiers under pay?

The ACTING CHAIRMAN: They have gone back to their regiments. The pension we have in mind is pretty nearly the same as the present English pension.

By the Acting Chairman:

Q. What about the children, can you give the amounts?—A. In the case of the first child, 5 shillings, or $1.25 a week.

Q. That is about the same as we have.

Mr. NICKLE: There is considerable difference.

The WITNESS: Just one moment. Perhaps I would like to correct a misstatement: in the case of the widow the pension is 5 shillings, in the case of the soldier who is disabled the pension is only 2 shillings and 6 pence.

By Hon. Mr. Lemieux:

Q. A day?—A. A week. Half of what it is where a soldier loses his life.

By Mr. Scott:

Q. If he is totally disabled?—A. Yes.

By Mr. Nesbitt:

Q. That is for the child only?—A. For the child only, in addition to the 25 shillings that he gets himself. The 5 shillings a week I spoke of refers only to an orphan child, the child whose father has been killed.

By Mr. Green:

Q. The totally disabled soldier gets——A. 25 shillings himself, and 2 shillings and 6 pence for each child he may have.

By Mr. Nesbitt:

Q. We were told the other day that in the case of a soldier who was presumed to be totally disabled, he started on 25 shillings a week, and after it was demonstrated that he could earn something, he was reduced back again to 10 shillings?—A. That was Mr. Scammell, I think.

Q. No it was Mr. Dobell, who gave us an exact illustration of some man who had complained to him in one of the hospitals there?—A. That is not in accordance with the information that I have. The warrant authorizing the issue of the pension describes it very clearly as being a pension only. Mr. Dobell, or Mr. Scammell, described it as 10 shillings and 6 pence a week pension, and 14 shillings and 6 pence subsistence. There is no reference to that in the Army Order publishing the grant. A European soldier discharged in consequence of the present war as unfit for further service on account of wounds, injuries, sunstroke, received in action or in the performance of military service, if it is due partly or wholly to war service, can, if totally incapable of earning a livelihood, be granted a pension at the full weekly rates. I do not know anything of the subsistence allowance which it is stated is reduced if a man goes to work.

By the Acting Chairman:

Q. Can you tell us if Australia or New Zealand have in any way considered this question we are now discussing with regard to English reservists in their countries at the outbreak of the war, in connection with their pension schemes?—A. Not that I am aware of, except so far as Separation Allowance is concerned, and that has already been done here by the Canadian Patriotic Fund. I do not think they have as far as pension is concerned. I am not sure on that point.

Q. That separation allowance only relates to the period of the war?—A. Yes.

Q. Have you any means of ascertaining if Australia and New Zealand have dealt with this question?—A. I have no data on the question at all. We are really concerned more with the payment of the pension after it is awarded than with the awarding of it, just as in the same way Colonel Conger pays the Canadian pensions after they are authorized by Order in Council.

By Mr. Nickle:

Q. There is considerable difference, as I read the figures, between the English pension and our pension. A married soldier with a wife in England gets $316?—A. That is a married soldier in England.

Q. The totally disabled soldier?—A. You are disregarding the wife in the case of the Imperial pension.

Q. The married soldier, if he is totally disabled, and has a wife, receives a pension of $316?—A. That is so.

Q. Our pension for the same class of cases is $396 for a private?—A. Yes, you make a provision of $11 I think for the wife.

Q. Now going a step further, a sergeant in England with a wife get $366?—A. That is so.

Q. With us the payment is $540?—A. In all cases that increase is due to the fact that you consider the wife.

Q. Certainly, that is the point I want to make; that there is a very great difference between the pension payable to the totally disabled married soldier in Great Britain and in Canada?—A. But do you think that having regard to the conditions of living and the cost of living in the Old Country, that in Canada the difference is so very great?

Q. Not for a man living in England, but for an Imperial Reservist who has brought out his family to this country and then has rejoined his regiment, the scale of pension will be determined by the fact that he is living in Canada, will it not?—A. I am rather inclined to think that the Imperial Government will be open to proper representations. The English scale is framed to meet the cost of living in England, and if it is represented by the proper authorities here that a pension scale based on the conditions in England is totally inadequate to support a man and his family in Canada, I think the Imperial Government will be just as ready to meet that case as they were to make the increase in the separation allowance when the war commenced.

Q. If that were so it would solve the difficulty?—A. I am not speaking with authority on that point, but I think the British Government would possibly be inclined to do that.

The ACTING CHAIRMAN: As I understand it, what the witness says is that the pension has been increased in England since the adoption of this table we have before us.

The WITNESS: Not since the adoption of that table.

Mr. NICKLE: This is the increased table.

The ACTING CHAIRMAN: The witness has told us that a totally disabled private in England receives a pension at the rate of $6 a week, whereas we propose to pay $7.70.

Mr. NESBITT: Then we encounter the difficulty which Mr. Nickle has just pointed out in the case of married men.

Mr. GREEN: Yes, but we have about decided we would treat married and single alike.

Mr. NESBITT: Mr. Stockdale seems to think there should be more paid for a Reservist who comes back to Canada.

(To the witness): Do you think a larger pension should be paid to such a person in Canada than the English pension allows?

The WITNESS: All these Reservists have to have permission from the military authorities before they can come and take up their residence in this country. I certainly think that if a man is granted such permission, you should not penalize him for becoming a resident either of this or some other part of the British Dominions.

By Mr. Green:

Q. Do you think we should supplement this pension?—A. I do not, sir.

Q. I do not think so either?—A. My own opinion is certainly not.

By Mr. Nickle:

Q. Why do you say that?—A. For this reason: Take the case of an Army Reservist who comes to Canada. Afterwards that man is wanted for active service, he is mobilized here and rejoins the colours in England. Now after mobilization that man is permitted to count the whole of the time he has passed in civil life as qualifying service towards a pension from the British Empire, so that he gets an advantage in that way.

Q. To follow this matter out: Supposing such a man is totally disabled. He has his family living in Canada, and the pension granted by the British Government is not sufficient to sustain his family. Has the State, or in other words Canada, a right to place that man in such a position that his family will be inadequately cared for?—A. I do not quite agree with that contention. I do admit that the State is responsible, but I do not think that that increment should come from the Dominion Government.

Q. But supposing the British Government do not pay it, who is going to look after that Englishman's family in Canada?—A. That is a condition that will have to be met.

Mr. NICKLE: That is what we are here to determine. How would you meet it?

Mr. SCOTT: You said a moment ago that the British Government would meet that additional expenditure.

The WITNESS: That is my opinion. I think that possibly in the case of those men who are living in the Dominions beyond the seas where the cost of living is higher, the British Government would in all probability be prepared to increase the scale somewhat.

By Mr. Scott:

Q. Assuming they do not, how do you think the question should be met?—A. I am not prepared to make off-hand a suggestion to meet that problem.

Q. You can see what is going to happen if provision is not made for these large families of English children. They will be thrown as paupers, more or less, on the locality in which they happen to be, will they not?—A. That is so.

Q. How are we to meet that?—A. Of course you are assuming that the British Government would not deal with the matter?

Q. Yes?—A. Well, I do not think you are quite justified in such an assumption. If the case was represented properly to the British authorities, I see no more reason for their turning down that proposition than they did the separation allowance problem. When the difficulty arose there they met it at once.

By Mr. Scott:

Q. What did they do in the matter of the separation allowance, did they increase the rate?—A. The separation allowance is entirely apart from the pension, but it was given for the same purpose. It was given for the purpose of enabling the wife and family to exist while the soldier was away.

Q. Did they make any difference between a soldier whose family was living in Canada and a soldier whose family was living in the Old Country?—A. Exactly, the scale was raised.

Q. They gave more to the soldiers' families living in Canada?—A. Yes.

By Mr. Nesbitt:

Q. You say that these men are enlisted for twelve years?—A. Yes.

Q. You are speaking more particularly of the regular army? The same thing does not apply to the so-called "Kitchner" Army?—A. I am speaking of the regular army more particularly, for I think there is rather too much emphasis placed on the volunteer army. A soldier is no longer a volunteer once he is attested. The British regular army is a volunteer army.

Q. But were not the soldiers of "Kitchener's" army enlisted merely for the period during the war?—A. The Kitchener army purely and simply, but they were different. The volunteer part of the business ceases when the man is attested. When the man is attested he is in exactly the same position as the soldier in the regular army.

By Mr. Nickle:

Q. Yes, as far as the soldier was concerned, but before that he was in a different position. He had taken up civil life, rather than military life, as a means of living,

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and he forsook his civil life with the intention of engaging temporarily in military work and of returning to his civil vocation on the termination of hostilities?—A. Yes, I agree with that statement.

By Mr. Nesbitt:

Q. I notice also you said that the reservist of the regular army was working up to a pension. Does he get that pension if he is not wanted?—A. That is apart from the matter of disability. They all get a pension for a certain length of service.

Q. For a certain length of time?—A. Yes, after having served a certain length of time. For that every British soldier gets a pension just as the men of the Canadian Permanent Force do.

By the Acting Chairman:

Q. Is that by reason of his having been a reservist?—A. By virtue of having given a certain length of service to the State. The service of the reservist does not have to be continuous with the colours. From the day he is mobilized, if he has been in civil life for ten years the whole of that ten years applies as qualifying service towards a pension.

By Mr. Nesbitt:

Q. In the meantime he gets sixpence a day?—A. Sixpence a day.

Q. All the time he is in private life?—A. Yes, up to the limit of his engagement. Up to twelve years from the date of attestation.

By Mr. Green:

Q. Then he is no longer a reservist?—A. Then his time has expired.

By Mr. Nesbitt:

Q. If the twelve years had expired he would not be eligible for a pension afterwards?—A. No.

Q. He would get his discharge?—A. If he had been discharged solely by reason of the termination of his engagement he would get no pension, but if he was mobilized before the twelve years expired—

Q. Then he would be eligible for the pension?—A. He would be eligible on two grounds: without regard to length of service at all if he were disabled, and on completion of the necessary term of service if he were not disabled.

By Mr. Nickle:

Q. When he rejoins the colours his sixpence a day ceases?—A. The payment of sixpence a day ceases from the very day he rejoins the colours.

Q. But assuming the war is over, and that he cannot resume civil life but obtains a pension if he is physically incapacitated. Then the payment of sixpence a day would cease?—A. Yes, the fact that governs that case is that he is discharged and no longer a Reservist.

Q. At any rate the payment of sixpence a day ceases?—A. The sixpence a day ceases. It does not run concurrently with the pension.

Q. Then he would go back to $316 a year?—A. That is the maximum he would get.

Q. Assuming he was totally disabled?—A. Yes.

By Mr. Nesbitt:

Q. He would receive nothing extra for his wife?—A. He would receive nothing for his wife at all. I do not think that the $316 that Mr. Nickle referred to includes the allowance for the children. You are taking a case of a single man.

By Mr. Nickle:

Q. The figures for the soldier, wife and children are as follows: soldier, wife and one child, $348; soldier, wife and two children, $380; soldier, wife and three children, $412; soldier, wife and four children, $444?—A. If I remember rightly those are the figures I gave Colonel Ward. I remember working with him some time ago on one of these scales.

By the Acting Chairman:

Q. Generally speaking, you have told us that the pensions are exactly the same, the English pension and our own, for total disablement. The allowance to the children is only about one half what ours is, but you have reason to hope that in case of these Reservists coming to Canada with their families the Imperial Government would deal with them on some fair basis?—A. I consider we have a precedent for thinking so in the case of the separation allowance. I believe that would be the case.

By Mr. Nesbitt:

Q. But you must bear in mind that these Reservists have to obtain the consent of the heads of the Army to emigrate as long as they are Reservists?—A. That would not be necessary in the case of a man discharged, but in the case of an Army Reservist it is necessary. I think, however, it is a matter of form and intended more for the purpose of keeping track of the Reservists.

The ACTING CHAIRMAN: We really would not be much concerned with that question unless the men come here.

Mr. NESBITT: Not unless they come here.

By Hon. Mr. Lemieux:

Q. Do you know anything of the pension paid to the French soldier?—A. I have no knowledge at all, sir, of the French pension rates.

Q. So you would not care to express an opinion with regard to them?—A. I would not like to express an opinion except upon matters I am familiar with.

Q. I thought the payments to British Reservists in Canada were administered by Doctor Coulter and General Fiset.—A. The pensions for the British Government are paid by the Imperial Pensions Office. That is the office of which I am an accountant. Previously, up to 1906 they were paid by the Imperial Paymaster in Halifax. Then the Dominion Government took over control. Now everything is paid from our office in Canada

Q. So these two civil servants have nothing more to do with the payment of pensions?—A. Our funds for that purpose are drawn from the Post Office. Probably that is what you are thinking of. The staff apply to England for the necessary funds and they remit to the Post Office Department. There is always a balance between the two Post offices.

By Mr. Nesbitt:

Q. What we want to find out is whether pensions should be given, and if so to what extent, if the pensioner obtains work. Mr. Dobell, a witness before this Committee, was asked about that, and here is what he said in reply; to Mr. Macdonald. It is to be found at page 102 of the printed evidence: "In England, when a man goes back with the loss of a leg, or a disabling wound, he is granted a temporary pension. At least the Government calls it ten and sixpence a week pension, and fourteen and six pence a week subsistence allowance. Now, at the end of six months that man is Boarded again, and if he is found to be earning sufficient to make up to 25 shillings a week, his pension is cut down. That is to say, if he is earning ten shillings a week, then his pension is made 15 shillings, the intention being to always guarantee a man a minimum of 25 shillings a week."—A. My only answer to the statement Mr. Dobell has made there is that it does not agree with the Royal Warrant promulgating the pension. There is no reference here (holding up warrant) to anything except pensions.

By Mr. Scott:

Q. What you mean to say is that once a pension is granted to a man there is no revision?—A. Yes there is.

Q. Then is not that what Mr. Dobell has in mind?—A. That is probably what he has in mind. There is revision after a pension is granted. The practice of the Im-

perial Government is to grant a pension for a certain length of time, according to the man's disability. If his disability becomes less his pension is reviewed.

Q. That is Mr. Dobell's point, is it not?—A. I think that is perfectly correct too. If a man's earning capacity is not impaired to the extent it was at first I don't think he should draw that pension for the rest of his life.

By the Acting Chairman:

Q. Are the reviews made annually, or what is the period?—A. It has been practically annually for three or four years. If a man comes up and his disability is found to be permanent his pension is made permanent.

By Mr. Nickle:

Q. But in relation to what is the disability impaired?—A. His earning capacity.

Q. In respect to what type of work?—A. That is a point I am not clear on myself.

By Mr. Nesbitt:

Q. Here is what your copy of Army Orders says: In clause two of the Order covering "disability pensions for soldiers" (Reads):

> "If a soldier so discharged is partially capable of earning a livelihood he may be granted a pension such as will, with the wages he may be deemed capable of earning, amount to the above rates, according to his rank."

That is what Mr. Dobell said.—A. I think that is the point Mr. Dobell has brought out, but as I have just explained, his pension is just reviewed periodically, annually for three or four years. If at the end of that period his condition is found to be——

Q. Well, he is earning something. That is the principle that is laid down in clause two.—A. But once his pension is fixed permanently, no matter what he may earn after that, it does not affect that pension.

Q. That is if he is permanently disabled?—A. If his case is permanently settled. Each case is reviewed by the Commissioners and if they have reason to suppose the man can be cured by treatment his pension is renewed from year to year.

By the Acting Chairman:

Q. Have you got the clause bearing upon that point and if so will you read it so that it can be got into the minutes.—A. Which paragraph do you want.

Mr. NESBITT: Clause two.

The ACTING CHAIRMAN: Following total disablement, as to whether the pension is fixed and the terms of it.

The WITNESSS That is not embodied here. I have only given that information from my knowledge of the work of the Commissioners. I might say for the information of the Committee that we have South African pensioners who are drawing to-day disability pensions, who are serving in the trenches. Once a Chelsea pension is awarded I have never known, in an experience of 20 years and a knowledge of the cases of hundreds and thousands of these pensioners, I have never known it to be revoked.

By Mr. Scott:

Q. So that your contention is that Mr. Dobell's point must be that it is not until this pension is finally settled upon that there may be a reduction?—A. He is right up to a certain point, if the pension has not been finally assessed.

Q. Until it is finally settled, there may be a reduction downwards. The old country practice is not to reduce it after it is finally settled?—A. I have never known a case. Once a pension is assessed as final, it is final.

By Hon. Mr. Lemieux:

Q. How is it that soldiers who are awarded a pension for total disability are afterwards found to be fit for active service?—A. Doctors make mistakes, that is the only way I can think of it.

Q. It is an exception?—A. We have a good many exceptions. We have a number of them. In fact, there has just recently been published an Army Order bearing specially on these cases—only a matter of two months ago—with regard to this question, giving the Commissioners of Chelsea Hospital power to review specially the disability pensions of men re-enlisting.

Hon. Mr. LEMIEUX: All the more credit to them.

By Mr. Nickle:

Q. In respect to what standard do you measure disability in England—in respect to a man as a machine or in reference to his ordinary employment?—A. I am inclined to think somewhat along the same lines as Colonel Belton—in the unskilled labour market. I do not think that the Commissioners of Chelsea Hospital pretend to make good, say the case of a professional man.

Q. Suppose a school teacher had both feet taken off, it would not impair his teaching capacity? Would he get any pension in England?—A. I think so.

Q. Why?—A. Because he has suffered a disability.

Q. Then it is in respect to disability to injury, not to the man as a machine, that he gets his pension?—A. I would rather hesitate to state my opinion on that matter.

Q. I mean as a fact, do you know as a fact?—A. No, I do not.

By the Acting Chairman:

Q. Did you see Colonel Belton's evidence?—A. I read it.

Q. Do you agree or differ with it?—A. I agree with it. It may not possibly be absolutely just, but it is difficult to see how it can be made otherwise.

By Mr. Nickle:

Q. You think if a man gets a pension it should be in reference to disability, and once established it should be permanent, and if he earns anything else he should be entitled to keep both?—A. I think the practice followed out in the British pensions is a good one. I think it would work well in practice. When his pension is finally assessed, if the man is going to be in danger of having that pension reduced because he is trying to help himself, he is not going to make very great efforts.

Mr. NESBITT: That is our view so far as we have gone.

Mr. SCOTT: That seems to be the practice in the Old Country.

Mr. MACDONELL: We individually rather found ourselves on the same ground as the English people without knowing it.

Mr. NICKLE: I think where the difference comes in—I have known cases to occur in Toronto under the Soldiers' Aid Commission where the man objects to work after he comes back wounded. He takes the position: If I am employed before my pension is finally determined, my pension will be less, and my position is advantaged if I do nothing until my pension is fixed. Once it becomes fixed he does not need to care. What I want to get away from is this in-between period when it is in the interest of the man to do nothing. I think we should get the men at work as soon as possible, and that they should get their pension as soon as possible.

Mr. SCOTT: Certainly. But you have to know where he is finally going to land before you can fix his pension. Aren't you getting away from that when you say he is going to get so much for an injury actually received?

The ACTING CHAIRMAN: The total disability difficulty is got over this way. If we fix the total disablement pensions at the same figure that we fix the soldier's present pay, it practically works itself out, because it is indifferent to the soldier whether he gets his pay or the pension, if he gets the same amount.

Mr. NICKLE: On the other hand it is going to be to the advantage of the man if he is in a position to take vocational training, that he takes it as early as possible after his return.

The ACTING CHAIRMAN: It is a matter of education.

Mr. NESBITT: We are at the stage where we say, if he is in one of those lists as Mr. Scott said, it settles it.

Mr. SCOTT: If a man loses both hands or legs, we say he is totally disabled. There is no revision from that.

By the Acting Chairman:

Q. Is there anything more, Mr. Stockdale, that you wish to inform the Committee on?—A. There is one point in connection with Imperial pensions I have always personally felt has been a very great injustice. I do not know whether the Committee on Canadian Pensions have made any provision for that, and that is the position of the wife. In the Imperial government, they do not recognize the wife at all. Practically they ignore her altogether. The situation is this: That we frequently have cases which are extremely hard when a pensioner dies. A pensioner comes home, and for a few years he draws a pension. Meanwhile he and his wife are both getting older, the pensioner suddenly dies, and the wife's position is pitiable often, because the pension ceases. If she becomes a widow as a direct result of the war she benefits. We had a case here in Ottawa, in Eastview, under the Imperial Government. A man came home, he was seriously injured by shell fire, he was awarded a pension. He had not been home many months before he died. The result was his pension ceased, and his wife was absolutely left to the care of a charitable society.

By Mr. Nesbitt:

Q. Does the widow not get a pension?—A. I am rather pleased to say that, in that particular case, we represented the matter to Chelsea, and I believe that provision has been made for her. But the Imperial Act does not provide for a continuance of the pension of the disabled soldier to the widow.

By the Acting Chairman:

Q. And you are only speaking now of the widow of the man who has returned and has died some time after his return?—A. Maybe some years subsequent; but it is a condition you will be faced with sooner or later.

Mr. SCOTT: It is difficult to get at that. He may have died as a result of injuries received directly, or he may not, just the same as a person in civil life; a man may die and leave his widow in poor circumstances.

By the Acting Chairman:

Q. Would not this provision meet it. It is paragraph 647 of the printed blue book dealing with pensions granted the Canadian Expeditionary Forces, page 6:

> "Individual cases for which the Regulations do not provide, or sufficiently provide, may be specially considered by the Governor in Council"

A compassionate allowance could be made in proper cases under that provision?—A. You could do almost anything under that paragraph.

Q. That would be ample provision to cover cases such as you have mentioned?—A. I should imagine so, I imagine the scope of that paragraph would be wide enough to permit you to do almost anything.

Q. Have you any printed matter dealing with pensions, which would be of value for our records?—A. No, I do not think so.

The ACTING CHAIRMAN: Very well, thank you very much. We are obliged to you for kindly attending this morning.

Witness discharged.

The ACTING CHAIRMAN: A letter written by Mr. George A. Kingston, member of the Workmen's Compensation Board of the Province of Ontario, to the Hon. Mr. Hazen, our Chairman, dated the 5th instant, contains the following paragraph:—

> "I may say I had a talk here yesterday with Mr. Frank Darling, who I see appeared before your Committee last week, and referring to his suggestion of $12.50 per week, it is of interest to know that taking 7,600 cases which came before our Board in 1915, the average wage was $13.23."

The Clerk has received the following letter which ought to appear in the record of these proceedings:—

(11) "CANADIAN PATRIOTIC FUND,
OTTAWA, April 5, 1916.

Dear Sir:

I did not accompany Sir Herbert Ames this morning when he appeared before the Pensions Committee as I concluded he would include in his statement any suggestions that I might have been prepared to make.

I am not sure, however, that the attention of the Committee has been directed to the possibility of many pensioners, including widows, going to Great Britain. As Secretary of the Canadian Patriotic Fund I can state authoritatively that very many soldiers families have already returned to their old homes across the Atlantic, while scarcely a day passes on which I do not receive one or several applications from families who wish assisted transportation. The latter, I may say, is only now granted in very exceptional cases, but the number of applications convinces me that once it is financially possible many more families will leave Canada of their own accord.

Doubtless this will apply also to totally or partially disabled men. Most of them came to Canada in the first place because of the greater opportunities of employment of the greater rewards offered ot labour. When employment ceases to be a vital factor in their lives, there will be an inducement to return to their own homes.

Whether or no such men should be discouraged from leaving Canada I do not feel that I am qualified to state. I am inclined to be rather more positive in so far as men with young families are concerned, as I feel Canada does not wish to lose the asset that such families represent. It might therefore be fitting for the Pensions Committee to consider whether they should recommend a reduction in pension in the event of a pensioner's departure from Canada, or from the North American continent. I need scarcely say that the pension proposed by Mr. Darling and others would be unnecessarily large in Great Britain.

I would add that I am entirely in favour of treating disabled soldiers and their families as generously as may be considered just, but it is a fair presumption that the children of a volunteer soldier are of value to Canada and should be discouraged from leaving.

Yours truly,
(Sgd.) PHILIP H. MORRIS,
Assistant Secretary."

Committee adjourned.

PROCEEDINGS OF SPECIAL COMMITTEE ON PENSIONS TO DISABLED SOLDIERS.

HOUSE OF COMMONS, ROOM 307,
FRIDAY, April 7, 1916.

The Committee met at 11 o'clock a.m., the Chairman, Hon. Mr. Hazen, presiding.

The Chairman read a communication received from Miss Helen R. Y. Reid, convener of auxiliary of the Canadian Patriotic Fund (Montreal Branch—Relief committee), respecting a list of widows, mothers and soldiers in Montreal whose families have been on the fund, and who are now in receipt of pensions.

Resolved, That said communication and statement of pensions be printed.

The committee further considered certain scales of pensions and then adjourned until Tuesday, April 11, at 11 o'clock, a.m.

V. CLOUTIER,
Clerk of the Committee.

Chairman of the Committee.

APPENDIX No. 4

CANADIAN PATRIOTIC FUND, MONTREAL.

(12) MONTREAL, April 5, 1916.

Hon. J. D. HAZEN,
Care of Pensions and Claims Department,
Ottawa.

DEAR MR. HAZEN:—

In the hope that it may be of service to your committee now studying the Pension Act, I am sending you a list of our widows, mothers and soldiers in Montreal whose families have been on the fund, and who are now in receipt of Pensions. I have had the lists arranged to show the former earnings of the soldier, his former occupation and the nature of his disability, as well as the number of dependents. When the former earnings are not stated, it would indicate that the soldier was out of work at the time of enlistment, or that the case was an early one when this question was not listed on the fund application form in use at that time. Employers and references are consulted.

You will notice the splendid wages some of our men gave up when they enlisted, and the consequent sacrifices now entailed upon their families and themselves if they should come back disabled.

We should very much like to see:—

1. A higher rate of pension established, with the safeguard of annual inspection and revision of each case.

2. The discrimination done away with which is indicated by the words "in action" and "on active service." If a man becomes totally disabled "on active service," we think he should be looked after by the country at one rate, whether he was "in training," "on duty," or "in the presence of the enemy" at the time of disablement. A medal for "service in action" could confer any distinction that was considered necessary.

3. We also think that where need exists, as a result of enlistment, and where partial dependency can be proven on a dead soldier, an "ex gratia" grant—not pension, might be allowed to mothers, (not widows) and to other dependents (sisters, fathers, aunts, etc.) not provided for in the Pension Act. We have referred such cases to the Board for consideration under clause 647 (formerly 597), but the applications have been refused. The same treatment has been accorded to a case of a mother and three children, where absolute dependency was proven. The refusal being based on the fact that the soldier was not married to the woman. Ten years of respectable domesticity, and birth certificates of the children—with a history of a former wife preventing the marriage—was not considered sufficient reason for any claim.

A reasonable and generous Pension Act will not only help recruiting, but, if administered wisely and well would also be better from the point of view of national economy alone,—than an insufficient act which places respectable citizens and true patriots on the local charity funds and thereby breeds a race of paupers for the country to care for,—private individuals and organizations subsidizing all Government underpaid charges, and undermining of necessity, the independence and self-respect of these people.

With all good wishes for the important work of your committee, I am,

Yours very truly,

HELEN R. Y. REID,
Convener of Auxiliary, P.M. M.D.

Enclosures.

CANADIAN PATRIOTIC FUND, MONTREAL, APRIL 1, 1916.

PENSIONS TO DEPENDENTS.

(Statement submitted by Miss Helen R. Y. Reid.)

Case No.	Name.	Amount of Pension.	Date of Pension.	Disability.	Former Wages.	Occupation.	Dependents.
		$			$		
1859	Mrs. Pender	22 00 per month	Oct. —, 1915	Killed	75 00	Paper Co	Wife.
203	Mrs. Gilbert	42 00 "	May 30, 1915	"		Shoe Co	Wife, 4 children.
763	Mrs. Ratcliffe	42 00 "	April 25, 1915	"		C.P.R	Wife, 4 children.
1846	Mrs. Rattray	47 00 "	June 18, 1915	"	60 00	C.P.R	Wife, 5 children.
250	Mrs. McNamee	32 00 "	May 17, 1915	"			Wife, 2 childred.
2 6	Mrs. Hughes	32 00 "	Aug. 12, 1915	"		C.P.R	Wife, 2 children.
280	Mrs. Langevin	37 00 "	April 28, 1915	"		Plumber	Wife, 3 children.
417	Mrs. McKenzie	32 00 "	May 23, 1915	"		Steel Co	Wife, 3 children.
802	Mrs. Hodgson	22 00 "	May 9, 1915	"	60 00	Carpenter	Wife.
876	Mrs. Thompson	32 00 "	April 28, 1915	"		Builder	Wife, 2 children.
1238	Mrs. Heath	47 00 "	March 24, 1915	"	60 00	Rope maker	Wife, 5 children.
426	Mrs. Knight	22 00 "	Oct. 26, 1915	"		Clerk	Mother.
675	Mrs. Thomas	22 00 "	Oct. 26, 1915	"	42 00	C.P.R	Mother.
542	Mrs. McCahon	22 00 "	Oct. 21, 1915	"		Bell Telephone	Mother, 1 sister.
766	Mrs. Betts	500 00 ex gratia		" (accident)			Mother, 2 children.
766	Mrs. Betts	27 00 per month		"		Rubber Co	Wife, 2 children.
780	Mrs. Cockburn	22 00 "	June 1, 1915	"	55 00	C.P.R	Wife, 1 child.
22	Mrs. Keyzer	27 00 "	Aug. —, 1915	"	48 00	City Hall	Wife, 1 child.
5350	Mrs. Morgan	60 00 "	May 5, 1915	"	60 00	Regular Forces	Wife, 6 children.
541	Mrs. Moore	33 00 "	March —, 1915	"		Caretaker	Wife, 2 children.
489	Mrs. Wilson	52 00 "	July 28, 1915	"	52 00	Painter	Wife, 6 children.
248	Mrs. Mayhew	47 00 "	May —, 1915	"		Carpenter	Wife, 5 children.
1838	Mrs. Laderoute	22 00 "	June —, 1915	"	60 00	C.P.R	Wife.
1829	Mrs. Wand	22 00 "	June —, 1915	"	48 00	River boats	Mother.
1968	Mrs. Anderson	37 00 "	June —, 1915	"	120 00	L. Dunham Co.	Wife, 3 children.
81	Hunt children	30 00 "	March —, 1915	"		Out of work	Three children.
1911	Mrs. Scales	27 00 "	June 21, 1915	"	96 00	Cement yards	Wife, 1 child.
1760	Mrs. Hall	27 00 "	May —, 1915	"	88 00	Wire and Cable	Wife, 1 child.
411	Mrs. France	37 00 "	Feb. —, 1915	Suicide in training		Corporation	Wife, 3 children.
1939	Mrs. Daragon	27 00 "	June 6, 1915	Killed	80 00	G.T.R	Wife, 1 child.
1551	Mrs. Benson	52 00 "	June 6, 1915	"	68 00	Pipe fitter	Wife, 6 children.
1951	Mrs. Emery	32 00 "	July —, 1915	"	52 00	Dockyards	Wife, 2 children.
647	Mrs. Elliot	22 00 "	Sept. 9, 1915	"		Plasterer	Mother.
499	Mrs. Hetu	22 00 "	April 22, 1915	"		Dominion Bridge	Mother.
2983	Mrs. Daskel	22 00 "	June 17, 1915	"	40 00	C.P.R	Mother, 2 sisters, 1 brother
4563	Mrs. Cox	37 00 "	Nov. 22, 1915	"	90 00	C.P.R	Wife, 3 children.
4377	Mrs. Meunier	37 00 "	Nov. 1, 1915	"	48 00	Journalist	Wife, 3 children.

APPENDIX No. 4

2065	Mrs. Brookes	48 00	"		Dec.	17, 1915	"		48 00	On wharf	Wife, 3 children.
4582	Mrs. Moss	22 00	"		Sept.	24, 1915	"		40 00		Mother.
1549	Mrs. Guay	32 00	"		Nov.	23, 1915	"		56 00	Bricklayer	Wife, 3 children.
1914	Mrs. Mattie	22 00	"		Oct.	20, 1915	"		32 00	Gunn & Co	Mother, 4 children.
44	Mrs. Keeman		"		April	—, 1915	"			Canadian Steamships	Wife, 4 children.
781	Mrs. Thorpe	37 00	"		May	22, 1915	"		76 00	C.P.R	Wife, 3 children.
853	Mrs. Alexander	22 00	"		June	23, 1915	"		65 00	Bookkeeper	Wife.

CANADIAN PATRIOTIC FUND, MONTREAL, APRIL 1, 1916.

TO SOLDIERS DISABLED THROUGH ILLNESS OR WOUNDS WHILE ON ACTIVE SERVICE.

(Statement submitted by Miss Helen R. Y. Reid).

Case No.	Name.	Amount of Pension.	Date of	Disability.	Former Wages.	Occupation.	Dependents.
		$ cts.			$		
214	Corbett	6 25 per month	June 22, 1915	Slight		C.N.R	Wife.
2160	Smith	21 30 "	May, 1915	100%		Farmer	Wife.
561	Cadieux	6 25 "			70 00	Lumberman	Wife.
127	Partrick	11 00 "		25%		C.P.R	Wife.
985	Owen	10 00 "	Dec. 20, 1915	50%		Plasterer	Wife, 2 children.
431	Houle	6 25 "	Nov. 30, 1915	25%, 12½% due to service		City Hall	Wife, 3 children.
295	Lemay	16 00 "	Dec. 1, 1915	50%, 25% due to service		Belt maker	Wife, 1 child.
226	Lewis	16 00 "	Nov. 2, 1915	60%	120 00	Waiter	Wife, 2 children.
1303	Saggers	11 00 "	Dec. 5, 1955	Re-enlisted	44 00	Brewery	Wife, 1 child.
2899	Gendron	6 25 "	June 4, 1915			Barber	Wife, 6 children.
3578	Thompson	11 00 "	Nov. 2, 1915	25%	32 00	Hotel	Mother, invalid sister.
2132	Bourdonnec	6 25 "	Nov. 24, 1915	Asthma	48 00	Janitor	Wife.
1706	Lavoie	6 25 "	" 20, 1915	5%	48 00	Dom. Foundry	Wife.
1647	Worrall	11 00 "	Jan. 11, 1916	25%	75 00	Mon. L. H. and P	Wife, 2 children.
1072	Lachaine	16 00 "	Oct. 29, 1915	100%	40 00	City Ice Co	Mother.
955	Daigle	6 25 "	Jan. 27, 1916			Coal carter	Mother, 3 sisters.
1267	Charette	16 00 "	" 11, 1915	75%	45 00	Dom. Bridge	Mother.
1322	Fournier	6 25 "	" 27, 1916	25%	75 00	Fraser, Viger	Wife, 3 children.
866	Langlier	16 00 "	" 27, 1916	50%	60 00	Merchant's assistant	Aunt.
2327	Boisvert	6 25 "	" 27, 1916	25%	60 00	C.P.R	Adoptive mother.
1406	Clayton	10 00 "	" 27, 1916	25%	55 00	Filtration plant	Mother, 2 sisters.
642	Crawford	23 50 "	" 27, 1916	50%		Spool Co	Three children.
1198	Dennis	11 00 "	" 27, 1916	25%	55 00	Signal Works	Wife, 3 children.
313	Honnay	11 00 "	" 27, 1916	25%		Bricklayer	Wife.
565	Sanchez	16 00 "	June 6, 1916	50% for 12 months	28 00	Distillery	Grandmother.
170	Rose	6 25 "	Jan. 27, 1916	25%		Out of work	Wife, 4 children.
1682	Frost	6 25 "	" 27, 1916	25% for 18 months	17 00	Bank	Mother, 3 brothers.
1045	Dougan	6 25 "	Feb. 3, 1916			Corporation	Mother, 2 sisters.
1176	Mitchell	11 00 "	Nov. 11, 1915	100%	40 00	Sand Co	Mother.
106	Matheson	11 00 "	Mar. 31, 1915	Tuberculosis		G.T.R	Wife, 3 children.
669	Harriman	8 33 "	Dec. 27, 1915	50%		C.P.R	Wife.

1057	Desnoyers	6	25	"	"	26, 1915		52	00	Corporation — Mother.
794	McCaskill	6	25	"	"	3, 1915		44	00	Corporation — Wife, 2 children.
4602	Frick	11	00	"	Jan.	6, 1916	25%	128	00	Docks — Mother.
666	Edsell	11	00	"	"	5, 1916	50%	60	00	Fireman — Wife, 2 children.
1173	Summers	11	00	"	"	11, 1916	25%	48	00	— Mother, 3 sisters.
1472	Gelinas	6	25	"	"	1, 1916	25%	48	00	Corporation — Aunt.
3429	Armitage	6	25	"	Feb.	2, 1916	25%	97	00	Plasterer — Wife, 2 children.
883	Arial	11	00	"	Jan.	5, 1916	50%			— Mother.
1491	Chatfield	16	00	"	"	11, 1916	50%	125	00	Builder — Wife, 3 children.
61	Cross	14	00	"	Feb.	8, 1916	50% for 12 months			Carpenter — Wife, 6 children.
1060	Fisher	6	25	"	"	8, 1916	25%	62	00	On Harbour — Wife, 9 children.
4495	Read	6	25	"	"	4, 1916	25%	40	00	Biscuit Co — Mother.
1458	Glennie	6	25	"	"	10, 1916	25%	98	00	Peter Lyall — Wife, 3 children.
870	Gauthier	11	00	"	"	5, 1916	25%	32	00	Shoemaker — Mother.
704	Theoret	11	00	"	"	5, 1916	25%			— Mother.
1627	Watson	6	25	"	"	11, 1916	Now in Angus shops	90	00	Chef — Wife, 3 children.
50	Cowan	11	00	"	Jan.	1, 1916	25%			Express Co — Wife, 4 children.
1182	Bourget	6	25	"	Nov.	5, 1915	100%	32	00	Farm hand — Sister.
2887	Petit	11	00	"	Feb.	1, 1916	75%	30	00	Farm hand — Wife.
1411	Heap	11	00	"	Jan.	5, 1916	25%	40	00	Rug Co — Wife, 2 children.

N.B.—The disability is medical not industrial, and could be remedied by expert technical advice from men of trades or business.

MINUTES OF PROCEEDINGS.

HOUSE OF COMMONS, ROOM 301,
TUESDAY, April 11, 1916.

The Committee met at 11 a.m., the Chairman, Hon. Mr. Hazen, presiding.

PRESENT:—Messrs. Green, Hazen, Macdonell, Nesbitt and Nickle.

Mr. W. Stockdale of the Imperial Pensions Office, Ottawa, addressed the Committee respecting the earning capacity of a pensioned soldier, also expressed his views respecting deferred pensions and commutation of pensions.

Mr. Nickle, a member of the sub-committee on proposed scale of pensions, reported progress.

The Committee then adjourned to meet again at the call of the Chairman.

V. CLOUTIER,
Clerk of Committee.

J. D. HAZEN,
Chairman of the Committee.

HOUSE OF COMMONS, ROOM 301,
THURSDAY, April 13, 1916.

The Committee met at 11 a.m., the Chairman, Hon. Mr. Hazen, presiding.

PRESENT:—All nine members of the Committee.

The Committee proceeded to the consideration of a draft copy of report which was submitted by Mr. Nickle of the sub-committee.

The Chairman read the report submitted and proposed that its consideration clause by clause be proceeded with at next meeting of the Committee, which was agreed to.

The secretary was instructed to obtain from Mr. J. W. Borden an estimate of total cost for pensions based on schedule of rates as contained in the draft copy of report now under consideration.

The Committee then adjourned until Tuesday, April 18, at 11 o'clock a.m.

V. CLOUTIER,
Clerk of Committee.

J. D. HAZEN,
Chairman of the Committee.

HOUSE OF COMMONS, ROOM 301,
TUESDAY, April 18, 1916.

The Committee met at 11 a.m., the Chairman, Hon. Mr. Hazen, presiding.
PRESENT:—All nine members of the Committee.

In attendance:—Mr. J. W. Borden, Accountant and Paymaster General, Militia Department.

The Committee proceeded to the consideration of an estimate of cost of pensions prepared by Mr. J. W. Borden and based upon a schedule of rates submitted by Mr. Nickle of the sub-committee. In connection therewith Mr. Borden explained certain contents of the copy of estimate.

The Committee then proceeded to consider a draft copy of report to be presented to the House. Clauses 1 to 12 inclusive were considered. It being one o'clock the Chairman left the Chair and the Committee rose to resume at 5 p.m.

The Committee resumed at 5 o'clock p.m., the Chairman, Hon. Mr. Hazen presiding.

PRESENT:—Messrs. Green, Hazen, Macdonald, Macdonell, Nesbitt, Nickle and Oliver.

The Committee further considered clause 12. Clause 13 was also considered. It being 6 o'clock, the Chairman left the Chair and the Committee rose to resume at 9 o'clock p.m.

The Committee resumed at 9 o'clock p.m., the Chairman, Hon. Mr. Hazen, presiding.

PRESENT:—Messrs. Green, Hazen, Macdonald, Macdonell, Nesbitt, Nickle, Oliver and Scott.

The Committee proceeded to the further consideration of the draft copy of report. Several changes were proposed and adopted. The report with said changes was referred to the sub-committee with instructions to re-write the report as amended.

The Committee then adjourned to meet again at the call of the Chairman.

V. CLOUTIER,
Clerk of Committee.

J. D. HAZEN,
Chairman of the Committee.

HOUSE OF COMMONS, ROOM 301,
THURSDAY, May 4, 1916.

The Committee met at 11 o'clock a.m., the Chairman, Hon. Mr. Hazen, presiding.

PRESENT:—Messrs. Green, Hazen, Macdonell, Nesbitt, Nickle, Oliver and Scott.

The Chairman read the following communications:—

From Mr. Wm. David McPherson, K.C., M.P.P., Chairman of the Soldiers' Aid Commission, Toronto, *re* the putting of reservists of Great Britain and her Allies on the same footing as our own men regarding pensions. Ordered, That Mr. Macdonell communicate with Mr. McPherson.

From Mr. Frank Darling, Chairman of Committee of the Toronto and York County Patriotic Fund Association, respecting a set of graphic diagrams showing pensions paid in England, United States, Australia and New Zealand, and the existing and proposed scales in Canada. Ordered, That the secretary wire Mr. Darling to forward the said diagrams to the Committee.

APPENDIX No. 4

From Mr. Clive Pringle, of Ottawa, respecting national homes for disabled volunteer soldiers at Togus, Maine, and Milwaukee, Wisconsin. Ordered, That the secretary acknowledge receipt of same and that he be instructed to have same printed.

The Committee then proceeded to the consideration of the revised draft copy of report to be presented to the House. Clauses 13 to 24, inclusive, were adopted.

The Committee then adjourned until Monday, May 8, at 11 o'clock a.m.

V. CLOUTIER,
Clerk of Committee.

J. D. HAZEN,
Chairman of hte Committee.

HOUSE OF COMMONS, ROOM 301,
MONDAY, May 8, 1916.

The Committee met at 11 o'clock a.m., the Chairman, Hon. Mr. Hazen, presiding.

PRESENT:—Messrs. Green, Macdonald, Nickle, Oliver and Scott.

The Chairman read the following communications:—

From Hon. R. Lemieux stating his inability to attend the Committee meeting, but strongly supporting Mr. Macdonald's motion respecting British and French reservists.

From Mr. E. W. Nesbitt, letter with copy of proposed additions to report; also clause prepared by Mr. Nesbitt respecting reservists.

From Mr. Frank Darling, letter and a dozen or more graphic charts respecting scales of pensions; and

From Mr. E. H. Scammell of the Military Hospitals Commission, *re* supplementing the pensions of British and other reservists and observations thereon.

Mr. Nickle moved, seconded by Mr. Oliver, that clause 25 be re-drafted to meet the suggestions made by Mr. Nesbitt, which was agreed to.

The secretary was instructed to acknowledge receipt of Mr. Darling's communication and graphic charts.

The Committee then proceeded to further consider the report of the Committee to be presented to the House.

On motion of Mr. Green, seconded by Mr. Scott, it was resolved that the report as read by the Chairman and containing the amendment proposed by Mr. Nesbitt with reference to British and other reservists, be adopted, and that the said report be presented to the House, which was agreed to.

The secretary was instructed to print the communications received with reference to National Homes for Disabled Volunteer Soldiers at Togus, Maine, and at Milwaukee, Wisconsin.

The Committee then adjourned *sine die*.

V. CLOUTIER,
Clerk of Committee.

J. D. HAZEN,
Chairman of the Committee.

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FURTHER STATEMENTS SUBMITTED AND COMMUNICATIONS RECEIVED.

V. CLOUTIER, Esq., OTTAWA, April 6, 1916.
Clerk to the Pensions Committee,
House of Commons, Ottawa.

DEAR SIR,—I beg to acknowledge receipt of your letter of April 5, and to enclose herewith a statement showing the number of families on the books of the Patriotic Fund at the end of February in each of the three classes mentioned in your letter.

If we can give your Committee any further information, we shall be very glad to hold ourselves at your disposal.

Yours truly,

PHILIP H. MORRIS,
Assistant Secretary.

CANADIAN PATRIOTIC FUND.

CLASSIFICATION of families receiving assistance from the Canadian Patriotic Fund during the month of February, 1916.

Canadian Volunteers. 30,119	British Army Reservists. 569	British Naval Reservists. 52	Belgian Army Reservists. 114
French Army Reservists. 586	Italian Army Reservists 64	Serbian Army Reservists. 2	Russian Army Reservists. Nil.

Total number of families—31,506.

PHILIP. H. MORRIS,
Assistant Secretary.

(15)

W. F. NICKLE, Esq., M.P., OTTAWA, May 5, 1916.
House of Commons,
Ottawa.

DEAR MR. NICKLE,—As requested, I am sending you the scale of pensions worked out from Private to Brigadier-General with the changes made for Sergeant-Major and Warrant Officer.

Yours truly,

J. W. BORDEN,
A. & P.M.G.

SCALE OF PENSIONS.

——	1st Class.	2nd Class. 80%.	3rd Class. 60%.	4th Class. 40%.	5th Class. 20%.
	$	$	$	$	$
Rank and File	480	384	288	192	96
Staff Sergeants and Sergeants	510	408	306	204	102
Regimental Sergeant-Major, " Quartermaster-Sergeant, Master Gunner } Not W.O	620	496	372	248	124
Warrant Officer	680	544	408	272	136
Lieutenant	720	576	432	288	144
Captain	1,000	800	600	400	200
Major	1,260	1,008	756	504	252
Lt.-Colonel	1,560	1,248	936	624	312
Colonel	1,890	1,512	1,134	756	378
Brigadier-General	2,700	2,160	1,620	1,080	540

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RESERVISTS *RE* WAR PENSIONS.

OTTAWA, May 8, 1916.

Honourable J. D. HAZEN, P.C.,
Ottawa.

SIR,—As I am informed that the matter of supplementing the pensions of British and other reservists, who were bona fide residents in Canada at the outbreak of the war, is to be further discussed at your meeting to-day, I should be greatly obliged if you would allow me to emphasize the recommendation made by me in my evidence and also by Sir Herbert Ames, in this regard. I desire to submit the following reasons why the Government of Canada should undertake to supplement the pensions of all such reservists:—

1. All these men were Canadian citizens and it is probable that a majority of them would have enlisted in the Canadian Expeditionary Force if it had not been incumbent on them to return to the units with which they were previously connected. All are fighting in the same cause.

2. The British rate of pension is considerably less than the rate which the Committee proposes for members of the Canadian Expeditionary Force, the former being based upon the cost of living in Great Britain, while the latter is based upon the cost of living in Canada.

3. If the disabled reservist has to live on his pension without some supplementary grant it may be necessary for him or his family, in the event of his death, to return overseas.

4. If no provision is made for meeting the difference in the British and Canadian pension rate a large number of men, and where the men have been killed, a large number of widows with their families, will be dependent on local charity.

5. The burden of assisting reservists and their families will fall heavily upon the public in those centres from which most have come, whereas this burden should be borne by the country as a whole. It is absolutely certain that the difference will have to be met by public subscription, by municipal taxation, or by the Government. If the difference is paid by the Government those people who have not contributed to the Patriotic Fund or any other war fund, will pay their just share.

5. In view of the sacrifices which Canada has made and is making the extra cost of these pensions would be a mere bagatelle.

The Government of Australia has decided to assume the responsibility of meeting the difference between the British and Australian rates of pension. The following is clause 15 of the War Pensions Act, 1914:—

> "The provisions of this Act shall extend to the case of any soldier of the Imperial Reserve Forces called up for active service who at the commencement of the present state of war was *bona fide* resident in Australia, as if that soldier were a member of the Forces as defined in this Act:
>
> "Provided that where the soldier or his dependents is or are entitled to any pension or compensation under any Imperial Act the rate or amount of that pension or compensation shall be taken into account in assessing the rate of pension payable under this Act:
>
> "Provided further that a pension shall not be payable under this section to any person who is not bona fide resident in Australia."

Certain arguments have been advanced against the foregoing course which I desire to refer to, stating at the same time my reasons for considering these arguments untenable.

1. The addition to the cost of pensions would be considerable. I have been informed by Mr. W. Stockdale, Accountant of the Imperial Pensions Branch, that the

number of British reservists recalled to the colours, who were residing in Canada at the outbreak of the war, does not exceed 4,000. The Assistant Secretary of the Canadian Patriotic Fund states that the following is the approximate number of families of reservists receiving assistance from the fund in all parts of Canada: British, 600; French, 600; Belgian, 100; Italian, 70; Serbian, 2. Take the case of the British reservists, the total disability pension in England is $316 per year; the total disability pension which I am informed the Committee proposes to recommend to the Government is $461.40, or a difference of $145.40. Suppose 25 per cent of the 4,000 British reservists were killed or totally disabled—an altogether excessive number—to pay the difference would entail an annual expenditure on the part of the Government of Canada of less than $150,000. Probably less than $100,000 would meet the case of the reservists of our Allies, so that the annual addition to our pension expenditure could not be more than $250,000; it would probably not exceed half this amount. Out of a total monthly expenditure by the Patriotic Fund of $700,000, $14,000, or 2 per cent, goes to the families of reservists of our Allies. They are paid at a higher rate than the families of members of the Canadian Expeditionary Force, as their Government allowance is smaller.

2. British reservists have been in receipt of 6d. or 12 cents per day and therefore should not be entitled to special consideration. I cannot see that this altogether insignificant allowance by the British Government which is on account of services already rendered, has anything to do with the situation. Canadian pensions are not granted as a reward for services but in order to enable the men who have suffered disability to continue living in Canada without having to rely on charity.

3. If pensions on behalf of British reservists resident in Canada are to be brought up to the Canadian standard the British Government should be asked to pay the cost. I think there is very little chance of a request of this nature being acceded to. The British Government has based its pension scale on what it costs to live in Great Britain and it might very properly answer that residence in another country is a matter for the soldier himself to decide. It is evident that this is the view taken by the Government of Australia, and the situation has been met in that country by the assumption by the Government of the responsibility for whatever difference there may be in the two rates of pension.

It is quite clear that there may be some difficulties in carrying out in Canada, the policy recommended, but the same difficulties will arise in Australia. There should not be much trouble, however, in dealing with the British reservists, though there may be some in the case of the French, Belgian and others.

I have the honour, therefore, to suggest for the consideration of the Committee that a clause similar to that in the Australian Act should be incorporated in the report which will be submitted to the Government, together with a further clause empowering the Pension Board to grant pensions to the reservists of our Allies, or their dependents, at the discretion of the Board.

My work in dealing with returned soldiers brings me into contact with conditions in all parts of Canada and I know that we shall be faced with a serious situation if no provision is made by the Government to deal with the reservist question. Already there are many indications of this, especially in Manitoba and British Columbia. I desire, therefore, respectfully and most earnestly, to urge upon the Committee the fullest consideration of this matter. I enclose the copy of the Australian Act from which I have quoted.

I have the honour to be, sir,
Your obedient servant,

E. H. SCAMMELL,
Secretary.

OTTAWA, May 8, 1916.

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(17)

SOLDIERS HOMES IN UNITED STATES.

MONTREAL, April 28, 1916.

(Transmitted by Mr. Pringle to the Committee.)

DEAR MR. PRINGLE,—With further reference to the matter of the National Soldiers' Homes in the United States; I now enclose you a letter from President Todd, of the Bangor and Aroostook Railroad, together with a very informative one from Colonel William P. Hurley, Governor of the Home at Togus, Maine. I have written the Colonel thanking him for his courtesy in furnishing such extensive data. I also enclose you the view book of the Home to which the Colonel refers in his communication.

Have not yet heard from my friend Earling in regard to the Wisconsin institution.

Yours very truly,

E. J. CHAMBERLIN.

CLIVE PRINGLE, Esq.,
Pringle & Guthrie,
Ottawa.

BANGOR, Maine, April 24, 1916.

Soldiers' Home.

MY DEAR CHAMBERLIN,—Again referring to your note of the 18th from Ottawa, I now take great pleasure in sending you herewith original letter dated the 21st from Col. Wm. P. Hurley, Governor of the National Home for Disabled Volunteer Soldiers, located at Togus, Maine, which communication I think covers all of the essential points upon which you desired information.

You will note from the letterhead that the "Managers" are the President of the United States, the Chief Justice of the Supreme Court, and the Secretary of War, and from the letter you will see that it is supported by Congress.

Only one point upon which you might desire information occurs to me as not being covered, and that is whether or not any of these old soldiers pay anything into the home if they are in a position to do so; I rather doubt it, but will gladly take this point up if you wish to know about it, or any others as to which you may wish to make inquiry.

I also send the pamphlet of views of the various buildings, etc.

It has been a great pleasure to attend to this little matter for you, and especially for Canadians, and if there is anything else that is wanted please do not hesitate to call upon me for it.

Sincerely yours,

PERCY R. TODD.

Mr. E. J. CHAMBERLIN,
President,
Grand Trunk Railway System,
Montreal, P.Q.

NATIONAL SOLDIERS' HOME, MAINE, April 21, 1916.

From:—The Governor.

To:—Percy R. Todd, President, Bangor & Aroostook R.R. Co., Bangor, Maine.

Subject:—Data in *re* Eastern Branch N.H.D.V.S.

DEAR SIR,—

1. Your letter of the 20th instant, inclosing copy of letter from President Chamberlain of the Grand Trunk Railway System of Canada, received this morning. I shall be very glad to give you all information possible in relation to our Branch Home and following you will find such information as is deemed most essential.

2. To give a general idea of the buildings and grounds of the branch, I am having mailed you under separate cover, a souvenir view book of the home.

3. The reservation is situated, as you are probably aware, some five miles from the city of Augusta. The total area comprises some 1,735 acres. To date this land has cost the Government $69,600. There are nine barracks buildings. Five are of brick and four are frame buildings. In addition to this is the hospital, a very large frame building. The library is of brick and of the seven buildings used for officers' quarters, three are of brick and four are frame buildings. There are also six frame storehouses and thirty-four other buildings, all frame, comprising which are the barns, shops, dry cleaning plant, coal sheds, etc. The original cost of buildings is figured at $808,615.84.

4. On June 30, 1915, which was the end of our last fiscal year, the Home had a membership of 1,676, including officers. In addition to this there were about 200 civilian employees quartered in the home dormitories or on the home grounds. The number cared for during the last fiscal year was 1,787 Civil War men and 534 of other wars, such as the Spanish-American War, Philippine Insurrection, Indian Campaign veterans, etc. The average age of all members cared for during the year was 65·85 years. I am inclosing a representative bill of fare to give you some idea of how the men are fed, and the average cost of the daily ration in the general mess for the year (raw material) was 0·2117.

5. The Home has a septic sewage system. Sewage pumped into septic tank and automatically distributed to filtering beds. Two gasoline pumps take care of this work. The water is obtained from the Augusta water district by pipe line from Augusta, Maine, and the cost to the home last year was $8,166.38.

6. The Home maintains its own steam plant, consisting of a main plant with six boilers and seven boilers in buildings outside the main plant. The total cost of operating this plant and the outside boilers during the year, including cost of coal, labour, castings, boiler inspection, etc., was $24,442.59.

7. The Home does not maintain a lighting plant. The electric light is supplied by contract by the Central Maine Power Company. The cost last year for all light and power supplied was $10,604.

8. The Home is officered by twelve commissioned officers, the names and titles of nine of whom you will find in this letterhead. The other three are assistant surgeons. In addition there are 31 non-commissioned officers, consisting of company commanders, company sergeants, etc., and about 170 civilian employees. About 200 of the members on an average are also employed during the year, and the total cost for personal services last year was $115,258.72.

9. The Home maintains an up to date library, having on file all the more important daily and weekly papers all over the United States, and many magazines and periodicals. At the close of the year there were over 12,000 volumes of books in the library for circulation, consisting of fiction, travel, biography, history, etc.

10. Baseball, in season, motion pictures and dramatic entertainments are provided also for the entertainment of the members and a club room, with pool and billiard tables and facilities for card playing and other games.

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11. The entire appropriation by Congress for the support of this Branch Home for the present fiscal year was $319,240.56, which is about an average appropriation for a fiscal year.

12. It is thought that the foregoing will give you a fairly good idea of the home, but if there is any specific information you desire that has been left out, I will be pleased to have same furnished you if you will write for same.

13. It is desired to add to the above that the Home also maintains during the summer season a band of about 18 pieces, and during the winter an orchestra of from twelve to fifteen pieces for the entertainment of the members. During the summer daily concerts are held, except on Mondays, at four o'clock in the afternoon for an hour, and in the winter concerts are held each evening except Tuesdays, in the home treatre from 7 to 8 o'clock. It is also desired to state that the present membership of the Home is considerably less than several years since and the capacity of the Home barracks is much larger than is in use. About 500 more members could be accommodated with the present buildings.

Very truly yours,

WILLIAM P. HURLEY.

EASTERN BRANCH, NATIONAL HOME FOR DISABLED VOLUNTEER SOLDIERS.

BILL OF FARE FOR THE WEEK ENDING MAY 6, 1916.

Sunday, April 30.

BREAKFAST.—Baked beans with mess pork, catsup, brown and white bread, butterine, coffee.

DINNER.—Mutton fricassee, boiled potatoes, stewed tomatoes, mince pie, cheese, bread, butterine, coffee.

SUPPER.—Corn meal mush, sugar, milk, sugar cookies, fruit sauce, syrup, bread, butterine, tea.

Monday, May 1.

[redacted]ish hash, pepper sauce, bread, butterine, coffee.

[redacted]up, onions, potatoes, carrots, turnips, macaroni, tomatoes, [redacted]crackers, pickles, bread pudding, sauce, bread, butterine, coffee.

SUPPER.—Cold meats, boiled potatoes, fruit sauce, syrup, bread, butterine, tea.

Tuesday, May 2.

BREAKFAST.—Irish stew, corn cake, white bread, butterine, coffee.

DINNER.—Salt cod with pork scraps, boiled potatoes, stewed corn, rice pudding, bread, butterine, coffee.

SUPPER.—Boiled hominy, sugar, milk, molasses cake, prunes, syrup, bread, butterine, tea.

Wednesday, May 3.

BREAKFAST.—Baked beans with mess pork, horseradish, graham and white bread, butterine, coffee.

DINNER.—Beef à la mode, vegetable gravy, boiled potatoes, mashed turnips, apple pie, cheese, bread, butterine, coffee.

SUPPER.—Cottage pudding, lemon dressing, fruit sauce, syrup, bread, butterine, tea.

Thursday, May 4.

BREAKFAST.—Meat hash, mustard pickles, pepper sauce, graham and white bread, butterine, coffee.

DINNER.—Roast veal, brown gravy, boiled potatoes, creamed parsnips, corn starch pudding, bread, butterine, coffee.

SUPPER.—Sliced bologna, boiled potatoes, apple sauce, syrup, bread, butterine, tea.

Friday, May 5.

BREAKFAST.—Scrambled eggs, boiled potatoes, bread, butterine, coffee.

DINNER.—Clam chowder, diced pork, potatoes, crackers, pickles, tapioca pudding, bread, butterine, coffee.

SUPPER.—Macaroni with tomatoes, currant buns, peach sauce, bread, syrup, butterine, tea.

Saturday, May 6.

BREAKFAST.—Fried bacon, boiled potatoes, corn cake, bread, butterine, coffee.

DINNER.—Boiled pork shoulder, boiled potatoes, stewed peas, bread pudding, sauce, bread, butterine, coffee.

SUPPER.—Baked tripe, boiled potatoes, fruit sauce, syrup, bread, butterine, tea.

Approved:

WILLIAM P. HURLEY, *Governor.*

J. B. MACHLE,
Commissary of Subsistence.

(18) APRIL 29, 1916.

(Transmitted by Mr. Pringle to the Committee.)

DEAR MR. PRINGLE,—Enclosed I hand you communication from my friend Earling, President of the Chicago, Milwaukee & St. Paul Railway, *re* the Northwestern Branch of the National Homes for Disabled Volunteer Soldiers, located at Milwaukee, together with report of the Managers of the Homes, which affords very complete information not only about the Milwaukee Home, but [illegible] States. There is also enclosed some photographs of the Milw[illegible]

If there is anything more I can do to assist Mr. Green in th[illegible]ld be glad to know.

Your very truly.

E. J. CHAMBERLIN.

CLIVE PRINGLE, Esq.,
Pringle & Guthrie,
Ottawa.

CHICAGO, April 24, 1916.

MY DEAR MR. CHAMBERLIN,—In response to the request contained in your letter of the 18th instant, I am transmitting to you, under separate cover, photographs of the Northwestern Branch of the National Home for Disabled Volunteer Soldiers, located at Milwaukee, together with copy of report of the Managers which very completely affords information as to the size, number and cost of buildings; to

APPENDIX No. 4

organization, and the cost of sustenance and other expenses per capita, also explaining the general regulations, the provision made for amusement, clothing, etc.

This volume gives like information of other branches of the National Plan of Homes for Disabled Soldiers and Sailors, and will doubtless be found of interest in this same connection.

I trust in the consideration of the subject you mention, this information may be all that is desired. If otherwise, it will be a very great pleasure to return additional data, if you will advise me.

Yours sincerely,

A. J. EARLING.

Mr. E. J. CHAMBERLIN,
President, Grand Trunk Railway System.
Montreal, Que.