

On our fleet of canallers, those vessels small enough to navigate the fourteen-foot canals, the ravages of war were particularly severe. Of these we lost over one-third, only a few of which have been replaced. This may in large part be due to the indecision in regard to the St. Lawrence seaway. It would obviously be imprudent for steamship companies to build new ships at the present very high costs when within a few years such small vessels would no longer be economic carriers.

In previous years when we have had bumper crops to transport and the additional grain traffic has been beyond the capacity of our inland fleet we have been able to engage substantial numbers of American vessels to help us out. Unfortunately this source will not be available to us this year since American ships will be fully employed in looking after their own needs.

In addition to these factors there have been substantially greater demands on our fleet of lake carriers for the transportation of ore and coal as a result of growing industrial needs and for the enlarged defence effort with which we are now engaged. However, in spite of all these factors I believe we have adequate transportation facilities in Canada to take care of our needs.

Our transportation problem at the moment is primarily one of preventing bottlenecks and the main concern of the newly appointed Transport Controller will be to try to prevent them from arising. One of the major difficulties is to secure quick despatch of grain sold from seaboard terminals. Congestion at these points can affect the normal flow of grain right back to the farm. This phase of the overall problem is not one which can be effectively controlled in Canada as it depends on the purchaser carrying out his programme to lift the cargoes of grain within stated periods. We are using every means at our disposal to expedite this flow of grain overseas.

I confidently expect that our ore and coal requirements will be fully met before the season of navigation on the Great Lakes closes for the year. It has been widely stated that lake vessels have been diverted to the carriage of ore instead of grain. This is not true. The facts are that over 50 percent of the available lake tonnage is now engaged in carrying grain, the balance in all other products, ore, coal, limestone, pulpwood and general cargo. I am quite confident that our transportation problems can be satisfactorily worked out and that under the direction of the Transport Controller and his associates the best possible use will be made of our bulk-carrying transportation facilities.

Brief though my references have been, the important relation between transportation development and expansion of our industrial sphere based on a few primary industries is clearly discernible. A century ago our transportation development was concerned with fish and furs; a half century ago, with lumber and grain, more recently with mining, pulp and paper and petroleum.

For a country which not too long ago was famous only for its furs, Canada may view with satisfaction its industrial growth and take pardonable pride in the part transportation has played in this growth.

We are living in an age of transportation. Never has movement from place to place been so easy as to-day, nor