

## APPENDIX No. 5

*By Sir Henry Drayton:*

Q. I would just call the attention of the President to what was developed in the Agricultural Committee last year and what we all know to be more or less the fact, and that is that there is a preference given by American boats to American grain and flour going to the Mother Country, and that our rates are considerably higher than the rates for which the American lines carry grain and flour. I would like to find out how that situation stands to-day.—A. You mean to say whether we are giving a preferential steamship rate to Canadian shippers?

Q. You are not of course, or at least I presume not.—A. No, we are not.

Q. I presume that would be impossible; I do not think any Canadian boat sailing out of a Canadian port would be justified in doing that, but we are very much interested in seeing that our grain and flour at least is not penalized in getting to England as against our chief competitors.—A. Your question is, are the boats of the United States Shipping Board giving preferential rates to American products?

Mr. DOHERTY: No, that situation has been fully cleaned up.

The WITNESS: So far as I know, they are not. We are on all fours with the American situation. Mr. Doherty, do you know whether the United States Shipping Board is giving preferential ocean rates to American producers?

Mr. DOHERTY: No, sir.

Sir HENRY DRAYTON: There is no preference?

Mr. DOHERTY: All the lines from American ports are on all fours. That question of last year is no longer in force.

Sir HENRY DRAYTON: What is the present American rate on flour from United States ports?

Mr. DOHERTY: It has ranged from 19 cents to 23 cents.

Sir HENRY DRAYTON: And what is ours?

Mr. DOHERTY: Ours has ranged from 19 cents to 22 cents and 23 cents.

Mr. KYTE: Is the rate from Halifax to England the same as from New York?

Mr. DOHERTY: The rate from Halifax would ordinarily be the same as from Montreal, and our rates from Montreal at the present time are the same as from New York.

Sir HENRY DRAYTON: What is the present split between the flour rate and the grain rate?

Mr. DOHERTY: The grain rate is such a peculiar situation to-day that it is very hard to determine. In Montreal in the early part of May grain went as high as four shillings. When I left Montreal the other day it was impossible to get grain at a rate of two shillings, sixpence.

Sir HENRY DRAYTON: I was chiefly concerned in seeing what the spread was between the grain rate and the flour rate.

The WITNESS: What rate are we charging on the average for grain, and what rate on the average for flour?

Mr. DOHERTY: Perhaps 7 cents would be a maximum.

*By Sir Henry Drayton:*

Q. There is one thing, Sir Henry; if you get it on a steady basis it is a great thing for the country. We used to have spreads as low as a cent and a cent and a half, and then it worked up to three cents, and then to five cents. The 7 cents spread is a direct detriment to the Canadian farmer; it affects the supply of shorts and bran very materially.—A. I suppose the most advantageous

[Sir Henry Thornton.]