

That, Mr. Speaker, is hardly correct. In fact, one might infer from that statement that if the railway was built through to the Pacific coast the rates obtaining from Edmonton to Calgary would extend to the Peace River district. I have before me information from a railway traffic officer stating that the rate from Peace River town to Fort William is 33½ cents per one hundred pounds. The distance from Edmonton is some 1,243 miles. It is only some 742 miles from Edmonton to Vancouver; if you add the mileage from Edmonton to the Peace River you get almost twice the distance from Peace River to Fort William with the present rate of 33½ cents as against the export rate of 26 cents, from Edmonton to Vancouver. But I claim that both the domestic and export rates from the Peace River to Fort William are practically the same, so that the report is hardly fair, or even correct.

I think, Mr. Speaker, that in discussing this matter the dominion point of view has been entirely overlooked. Our Pacific ocean trade should be viewed from the national standpoint. Our trade with the orient has been steadily growing and we are looking for further new markets, but apparently our railway policy has been so shaped as to foster trade through our eastern ports only. Of late years, however, we have been turning our eyes to the Pacific, to Australia, to New Zealand, to Japan and China, and if that trade is to be encouraged I submit that the proposed outlet from the Peace river through British Columbia is vitally necessary. I hold in my hand a booklet, *Trade Prospects Across the Pacific*, prepared by John M. Imrie, chairman of the Canadian Chamber of Commerce trade mission to Japan, China and Hong Kong, in which he sets forth the findings of the Canadian trade mission relative to a greater development of trade between the dominion and the orient.

The report points out that Japan is to-day Canada's third largest customer, having increased her purchases from a peak of \$1,150,000 in pre-war years to \$42,000,000 in 1929, and an average of \$33,000,000 for the five-year period, 1925-1929. With respect to China, that country stands in eighth place among Canada's customer nations. Her purchases from the dominion have increased from \$3,000,000 in 1922 to \$24,000,000 in 1929. Looking to the future, the Canadian trade mission has no hesitancy in asserting that these two countries constitute a potential market for a vastly greater range and volume of Canadian merchandise than is suggested by actual exports to-day. The full development of this market, it is pointed out, is dependent in large measure

upon the stabilization of political, monetary and economic conditions in China and upon the extension of transportation facilities into the interior of that vast country.

Apart from the local aspect, the great question of Canada's trade through her Pacific ports has been entirely overlooked by the engineers who drafted this report, because they confine themselves to the statement that no western route is justified for the present and that our existing railways furnish the most economical route. Our Pacific ports have been growing despite the handicap of higher freight rates. Last year through the port of Vancouver we shipped 91,000 tons of wheat to Bristol, as against 36,000 tons from the Atlantic ports. This trade is now assuming large proportions, and I submit it should be fostered, and to this end another outlet from the Peace river would be in the national interest as well as a direct benefit to the settlers in the Peace River valley.

It seems to me passing strange that the major part of our development in railways and shipping has been confined entirely to the east. But not only has the east been favoured. When Manitoba asked for a route to Churchill her request was granted and some \$54,000,000 has been expended on the construction of the Hudson Bay railway and port facilities. I think I am correct in stating that last year \$6,000,000 was spent upon this undertaking. I wonder what would have happened had the engineers who are responsible for this report been asked to report on the Churchill route before it was undertaken. In view of the tone of this report, I have grave doubts if the Hudson Bay railway would have been constructed. Millions of dollars have been spent to build up the ports of Montreal and Quebec and to develop our canal system, yet when we in British Columbia ask for any help or consideration for our Pacific ports a report such as this is brought in practically to damn the whole thing.

Mr. MANION: I hope my hon. friend does not blame the government for the report. We did not make it.

Mr. REID: No; but I hope the hon. minister will not take the report very seriously when it says that no westerly route is justified for the present.

Mr. MANION: Will my hon. friend allow me to state this: I believe firmly that the Peace River outlet will have to be built ultimately.

Mr. REID: I am glad to hear that. I submit that this report should not be con-