

(2) Nickel from Sudbury, iron from Sweden and Newfoundland, tin from Malay States and complex metallic ores from all over the world go to South Wales, where the coal is mined, to be smelted, and there creates that vast industrial machine upon which so much of England's wealth, industry, commerce and population is based;

(3) Metallic ores from all over the world go to the Ruhr, to Belgium and to Northern France to be smelted because the coal is there, and the war and everything which has occurred since has made the size and importance of the industrial development in that area familiar to all.

And in all these cases, the mineral ores go to the particular places because the ore can be brought to the coal by water.

3. *Bearing in mind these salient facts.*—(1) The vast amounts of metallic ore of every kind which are being opened up and made available in our North Country:

(2) The Georgian Bay Canal will bring continuous deep-water navigation almost to mine-head.

(3) That of all coal mines, those of Nova Scotia are the closest and the most convenient, are in the same country and the cheapest to get to and from our mining country; it is clear that the construction of the Georgian Bay Canal will mean that inevitably a new South Wales, a new Ruhr, a new Pittsburg will develop in Cape Breton, with all that this implies.

(4) In considering the practical working out of the above effects of the Georgian Bay Canal on the position and future of the Maritime Provinces, a fundamental factor is the question of return cargoes for freight boats.

Nature abhors a vacuum, and in no particular instance is this more permanently true than in regard to freight cargoes.

Whenever a cargo route exists which requires and makes it profitable for ships to carry freight in one direction, freight of some kind, at some price, will develop in the other. Conversely, where profitable freight exists or can be created in both directions, nothing short of a complete naval blockade will stop it from being carried.

Now, when we come to apply these general fundamental rules to the particular problem which we are considering, what do we find? We find in Nova Scotia, coal and iron and steel products in any desired quantity, which require to be carried to market. And the market is in Central Canada along the route of the Georgian Bay Canal. Thus the westbound cargo is available. At the other end, we have metallic ores, which must go to coal, and wheat which must go to market. So the eastbound return cargo is available. On analysis, ships which carry coal and iron as far west as North Bay will carry ore back. Ships which carry coal as far west as Port Arthur will carry wheat back.

(5) It is just as cheap to tranship wheat at Halifax or Sydney as it is at Montreal or Quebec. It is just as cheap to mill wheat into flour at Halifax as it is at Montreal or Port Colborne. Halifax has great advantages in the export of flour to the West Indies and South America, where an established export market of 9,000,000 barrels per annum already exists. Because coal goes from South Wales to the Plate, wheat goes back from the Argentine to South Wales. Based on return cargoes, and nothing but return cargoes, Cardiff and Bristol are the greatest flour milling ports in Great Britain, and for exactly the same reason, the Georgian Bay Canal will make the Maritime Provinces one of the great flour milling and wheat exporting areas of Canada.