

Mr. CARDIN: I have not the letter of the president of the Canadian National Railways before me. It was written last year.

Mr. HOEY: What was the nature of the document?

Mr. CARDIN: It was in approval of the proposal that is presently submitted to the House, and which had been submitted to him previously by the Quebec harbour commissioners.

Mr. HOEY: Did he intimate in that document that rates would be readjusted to justify us in believing that the volume of grain moving to Quebec would be greater in the future?

Mr. CARDIN: He did not refer to rates in the letter.

Mr. GRAHAM: I am not going to make any speech on this question, but I am going to vote for this loan. I think that with the exception of the members from Quebec themselves I know more about the Quebec harbour development than any man in this House. I was identified with it many years ago, and we provided for a great development along these waters—that was the original plan—from Cap Rouge down to the city of Quebec. Property was purchased at that time to carry out harbour development right along the front where there was deep water. That was changed, but I am not going to discuss it at the present time. I want to ask my hon. friend from Medicine Hat (Mr. Gardiner) a question. He surprised me if I got the thing right. He mentioned some company or some organization that was building an elevator at Buffalo. Now, will my hon. friend repeat the name of that organization?

Mr. GARDINER: The Saskatchewan Co-operative Elevator Company Limited.

Mr. PARENT: That is sending Canadian trade through Canadian ports.

Mr. GRAHAM: That is all I want to know.

Mr. SALES: The Saskatchewan Co-operative Elevator Company Limited seems to be a rather interesting subject just now. I have been connected with that company. I happen to have been a director on the board for nine years, and I was on the board when the decision to build that elevator was arrived at. The Minister of Railways and Canals seems rather surprised. He would be more surprised if I said the action of this government had a very large influence in determining the building of that elevator at Buffalo. I can assure him, that it had.

Mr. GRAHAM: In what way?

Mr. SALES: I will explain to the Minister of Railways in what way. We discussed the question of lake freight rates at very great length in this House. It was pointed out that grain was carried by Canadian boats to Buffalo, a three day journey, at less money than it was carried to Georgian Bay ports which is a two day journey. I asked the then Minister of Trade and Commerce, not the present minister, if when there was half a cent a bushel discrimination in favour of Buffalo he would say that the coasting laws should be automatically suspended? His answer was "Why should I?" I went from here to Regina to a meeting of the Saskatchewan Co-operative Elevator board. We were rather in favour of building at a Georgian bay port and had been considering it. The question of Buffalo came up. My mind was made up from the moment I got the minister's answer. Not only did we have the advantage of a lower rate to Buffalo carrying our grain farther on its way, but I want to say that Buffalo is the most advantageous point on this continent for grain to be at. It can be shipped from there to Montreal; it can be shipped to New York, to Philadelphia, to Boston, to many of these ports that are open all the year round. I tell this House that this business of carrying grain to Quebec is a myth. Not only is there a long railway haul, but the farmers are unable to collect from the railway company any of the shortages which are incurred by reason of that long haul. So what do they do? They get their wheat into a place where they can get their weight as quickly as possible; that is Fort William. As has been pointed out, the wheat has left the farmer's hands at this time and is in the hands of the exporters. When you go to talk business with these men you have to talk business. As we have been told, grain is like water; it will run down hill, and all the talk, and all the sentiment, and all the patriotism will not make it run up hill. Grain will follow the line of least resistance in spite of all preaching to the contrary. Some hon. members say "patriotism". Is my company any more unpatriotic than the lake shipping companies? Are we any more unpatriotic than a member of this government who will not put into effect the suspension of the coasting laws? Let me point out one other reason why grain will never go to Quebec which my hon. friends apparently do not know. When navigation is closing it is the practice at the head of the lakes to load every available boat for winter storage, which can be got on these boats at about half the price that it can be got for in elevators. Every available boat that can be