

sible manner, & further your interests in this direction."

The second extract was as follows: "In considering a remedy for the disabilities under which the Canadian railway companies exist in the exportation of their traffic during the summer season, it seems to me we must have a controlling interest in the ocean transportation, either by traffic arrangement or otherwise, via Montreal, & if the facilities of this port will not permit of new steamers & lines, then we must look to Quebec, which affords certain strong inducements, viz.: The close interchange of all classes of traffic between rail & ocean carriers, saving in cartage, the continuous interchange of traffic at all hours, the lengthened season of navigation."

Sir William also read a letter from F. H. Clergue, President of the Sault Ste Marie Pulp & Paper Co. as follows: "I enclose a copy of a letter received from Foreign Freight Agent Corbett, from which you will learn that on account of the impossibility of obtaining freight room for our pulp from Montreal we are obliged to fill our foreign orders by shipment from Baltimore, Philadelphia & New York. The output of our mill no. 1 is 1,000 tons daily. Mill no. 2, which will be ready to start up on Jan. 1, has an equal capacity. I need not point out to you the fact that this business, equal to 15 to 20 cars daily, is of too great magnitude to leave transportation subject to the chances of the present inadequate facilities offered by the Canadian trans-Atlantic lines. Canadian railways, in the proportion of their mileage to their traffic, are giving their patrons better facilities & lower rates than any other railways in the world. With such internal facilities & such magnificent & varied resources as the rest of the world are just discovering to exist here, the one essential thing lacking to promote progress in Canada in all lines of development is better means of international communication by sea from Canadian ports. Modern freight carriers of large capacity & economical operation should be provided in order that the ship owner may be able profitably to carry freight at the rates of United States ports. I beg of you to consider if anything can be done, either by exciting the livelier interest of the Government or otherwise to improve these conditions. Let us not delay. In the special industry in which I am engaged, several millions of dollars can be brought into Canada & several thousand operatives permanently employed if the product can be exported all the year round at the ocean rates prevailing at U. S. ports. At present the rate is $\frac{1}{4}$ to $\frac{1}{2}$ higher than that paid to reach the same market by the U. S. competitors who have without let or hindrance obtained their pulp wood from Canadian forests."

"What," asked Sir William, "was Canada doing about the grain trade. Last year Manitoba produced 30,000,000 bushels, but nearly all of this was going by U. S. ports. In 1897, for 1 bushel of Manitoba grain that went from Canadian ports, 5 went via Buffalo.

A great deal was being said about the deepening of canals & improving the interior arrangements for transportation. What Canada needed most of all, however, was better ocean facilities from its own ports. The means of exporting by our ports were altogether inadequate. We have increased the hopper without enlarging the spout."

He proceeded to point out that the ocean charges from Canadian ports are enormously high. He quoted figures, comparing the difference in the steamship charges from Boston in support of this. These figures, roughly speaking, showed in butter & cheese a difference of 50%. It was impossible to compete successfully for trade on this basis. Besides the added cost of transportation was a tax upon the producers of the country. "If the people of Canada knew what they are paying for ocean transportation they would rise up in rebellion," declared Sir William, most emphatically.

"The inadequate character of our ocean facilities is, continued the speaker, driving trade away from the country. Not long ago the C.P.R. was horrified to discover that it had 25,000 tons of freight between St. John & Minneapolis, without a vessel in sight to carry it abroad. The antiquated carriers were overdue several days & some," added Sir William, "had drifted ashore. What could be done in such a case? It became necessary to make immediate arrangements to ship the freight at U. S. ports at an immense loss. On that occasion some of the freight was being carried from Minneapolis to St. John & when the shippers found it could not be expeditiously handled they lost faith in the Canadian route. It is necessary for us to rehabilitate ourselves if we are to get a share of this trade & hold our own." The most profitable freight carriers to-day are enormous vessels. Not long ago, Sir William saw the Coptic, a White Star freight vessel, at New York, loading from barges, 10 deep all around. It seemed as if the produce of a continent were going into the great black hole. As a matter of curiosity he enquired the extent of the cargo. He found that it represented 16,500 tons. In the round trip, the vessel's profit was \$75,000, & in 14 months its cost was written off. That is the way Canada must do business to keep up with the times.

Sir William said: "There is nothing I desire more to see Canada have than the very best Atlantic passenger service that capital & science can give it. What Canada requires is a fast ocean passenger ferry service. The day has gone by for mixing trains, & it has also gone by for mixing the ocean passenger & freight services. Don't let anybody humbug you with 19 $\frac{1}{2}$ & 19 $\frac{3}{4}$ knot vessels. We must have the very best & the very fastest."

"From what ports?" asked one of the audience.

"From Quebec in summer & Halifax in winter. I have long realized that, while heavy freight will go on to Montreal in summer just as it will go on to St. John in winter,

because it is an advantage to get in further inland, that at the same time Quebec would be the summer port for passengers, and Halifax the winter port, because they will take the shortest route." Sir William said that it was necessary if the trade of Canada was to be preserved that all these ports should pull together. He well knew that in the past when Halifax was mentioned there were people in St. John ready to throw icebergs in the way, & that when St. John was spoken of there were those in Halifax to conjure up fogs. It was the same, he feared, with regard to Montreal & Quebec. But he believed that the interests of all were identical. Local feeling must be forgotten & a united effort made to restore & develop the trade of Canada.

"While it was perfectly true that the C.P.R. with its far-reaching connections, was probably the best fitted to provide the fast Atlantic service, it had no objections to offer to any other organization that was capable of doing so taking hold of it. Sir William said he had written to the Allans & the Dominion line encouraging them to go on with the project & offering to co-operate with them. But it seemed to him that they were never interested in the matter except when somebody, with a serious intention to provide the service, turned up at Ottawa. Then they became interested for a time. The mention of the C.P.R. in connection with any matter always led some people to oppose it on the ground that the C.P.R. has already got too much. He did not see on what ground they based that assumption. Every obligation, either moral or legal, of the C.P.R. to the country or to anybody in the world had been fulfilled to the letter. In fact it has always done better than it had agreed to do.

"I have sometimes been accused of building castles in the air," said Sir William. "Let me try now & build you some air ships. I would provide Canada with a better ocean service than exists anywhere else in the world. They would be," he added, "as much ahead of the present U. S. Atlantic lines as the vessels we have on the Pacific are better than the lines the U. S. have upon the Pacific. They would be the fastest, the most sumptuous, the most comfortable vessels afloat. The result of this policy in the Pacific, is that although there are 18 U. S. vessels there, the 3 C.P.R. vessels do more business than all the rest combined. This," he added, "would give Canada the most magnificent advertisement possible. For such a service the country could afford to pay a million dollars."

Proceeding to give further details of his plan, Sir William said: "The C.P.R. would put on a train from Euston Station, London, to Liverpool, that would astonish the world. At that station he would sell a ticket from London to Hong Kong or to Australia by the C.P.R. The passengers would be absolutely guaranteed connections right through. At Liverpool the C.P.R. would take them & bring them to Quebec. The Pacific vessel would wait until it made connections with the

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