

Churchill, and no port at all at Port Nelson. Think of the money that was paid to Mr. Palmer. When matters of sailing or marine transportation are being considered seafaring men should be consulted instead of engineers.

I do not know anything about banking; I am not a business man; so, with your permission, I will pass on to another subject, about which I think I know more, the St. Lawrence Waterway. I shall not take up much of your time on that subject, because I have spoken on it so often. The new members, however, may not have heard me.

First, a gentleman who seems to know a great deal about the United States, and who has a good many friends in spite of his Romish affiliations, the Hon. Alfred E. Smith, says that it will never pay; that no part of it will ever pay. And mind you, honourable gentlemen, he made that statement on the 31st of October, 1932, just a few days before an election, at a time when politicians are very wary and very careful of what they say. He says that it will be closed up many months of the year, but that the bonds will be running on for twelve months in the year. Then he instances the Erie Canal, which was completed in 1825, one hundred and nine years ago. It certainly did develop the State of New York, especially the northern part of it. But remember that before the Erie Canal was built the freight from Buffalo to New York was \$100 a ton, and \$3.33 for a bushel of wheat. Needless to say, not much wheat was carried to New York at that rate. But those days have gone, and to-day the Erie Canal is costing plenty of money, according to the Hon. Alfred E. Smith, who should know the facts, because he is an ex-Governor of the State of New York. He said that water transportation was now old-fashioned, and he wanted to know whether the people would like to go back to the old stage coaches.

Is it right to ship freight by a canal during seven months of the year and leave the railways and their equipment standing idle all that time? The railways have to pay twelve months' interest on their bonds every year, but to save a few dollars some people would cease to patronize the railways as soon as the summer comes around.

Hon. Mr. RAINVILLE: Will my honourable friend permit me to ask him a question? Does he know how much of the grain, for instance, is being carried each year by the railroads east of Fort William?

Hon. Mr. CASGRAIN: Yes. But I would take it as a favour if my honourable friend would let me finish, and then he can ask me

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all the questions he likes. I am having a hard enough time now.

Hon. Mr. RAINVILLE: I might say it is only 3 per cent.

Hon. Mr. CASGRAIN: I wish the honourable gentleman would not interrupt me. During the first fifty years there were tolls on the Erie Canal, and of course the canal paid its way. It did even better, and paid amortization and interest on the cost, from 1825 to 1875. By that time the railways, which had been constantly improving, were getting a lot of the business; so it was decided to abolish the tolls in an attempt to attract freight to the canal. Well, that plan did not succeed. There was no economic Santa Claus to pay the shot then; so the people of New York had to be taxed to keep an antiquated waterway in operation. The report to Governor Smith by Frederic Stuart Greene, who was Superintendent of Public Works of the State of New York, gave some interesting figures, and I should like my honourable friend to listen to them. He said that in 1925 the net cost to the taxpayers of New York was \$10,573,626 yearly. Every ton floated on the canal cost the State of New York \$4.51, while the cost of shipping the same distance by railroad was \$3.70. The State of New York would have saved money by paying the freight bills on the railways and closing up the canal.

Now let us come home. The Welland Canal cost, according to the figures given to me by the right honourable leader of the House, \$125,000,000, without interest during construction. It was begun in 1912, and in 1932 it was finished with a grand demonstration that cost something too. I have had an actuary do some figuring for me and he says the interest during the twenty years of construction would have amounted to \$50,000,000. Consequently the cost to this country of the Welland Canal, with interest during construction, was \$175,000,000. At four per cent that is exactly \$7,000,000 a year. Now, how many tons have been going through? The last report we have, which I think is for 1932, shows that the total tonnage both up and down was 7,000,000 tons. That works out at a dollar a ton, or three and one-third cents for each bushel of wheat.

It is strange that people will not understand things like that. The old Welland Canal was worked to only one-third of its capacity. That meant that all the business it did could have been handled in two and a half months of each year. However, that would not do. We had to discard it and build one nine times larger. What would honourable members think of the owner of a warehouse, say in Montreal, who had use for