

and that consequently the present high rates upon our cattle overseas has become a still greater burden.

Anyone familiar with the cattle industry in western and, I think, in eastern Canada, will admit that whatever justification might be offered by the transportation companies for that increase, the fact remains that it is a crushing and paralyzing burden upon the stock raising industry of Canada, and that any effective measure tending to reduce these excessive rates will be welcomed by those engaged in the industry.

Mr. ARTHURS: Is it or is it not true that the shipping companies have reduced the rates since the United States put an embargo upon Canadian cattle?

Mr. SPEAKMAN: The rates have been reduced since they reached their peak—whether as a consequence of the Fordney tariff or not I am unable to say. On other lines which are familiar to hon. members—I am not going to burden the House with statistics now—the same course has been followed and the same effect has been produced. We have only to read the communications from manufacturing and other concerns to show that the country as a whole realizes that the export trade has been hampered and that an unjust burden has been placed upon it, and that any measure to effectively relieve the situation will be welcomed and will be in the best interests of the Dominion. These facts are so apparent that it is not necessary for me unduly to elaborate the point.

The question, to be concise, is this: whether those rates rose as a natural consequence of increasing costs or whether they were put into effect of set purpose by a combine which controlled them. That is a point that has not been brought out clearly in the report which now lies before us. We may, however, hold opinions upon it; and taking into consideration all the facts of the case—the magnitude of the increases, out of proportion to the increasing costs; the fact that through this admitted conference they had the machinery in their hands to raise the rates to excessive heights; the conclusions arrived at by the special committee on Agriculture sitting two years ago—taking all these things into consideration I can only conclude that the presumption is in favour of the supposition that to some extent at least a combine did have the effect of raising rates beyond a necessary limit.

May I here refer to what I consider as one of the most glaring inadequacies in the so-called Preston report? All these facts were

in the hands of hon. gentlemen; they had all been established beyond peradventure during the last year. But what we did want to know, at least what I wanted to know, was this: did the raising of these rates result in undue or exorbitant profits to the companies involved? Upon that point this report throws no light, yet it must be taken into account when any proposal to control or reduce these rates is being considered.

Another inadequacy might be shown. Statistics are placed in this report to show the discriminatory increases put in force by these shipping companies. On page 14 of the report there appears comparative table of shipping costs based upon the mileage and the tonnage. It is clear enough as far as it goes, but there are two or three factors which are essential to a proper consideration of the case but which have not been presented or even touched upon. The first is this: that while it does give a comparison by mileage and by tonnage it gives no inkling as to the class of goods involved. It might be a ton of wheat in the one case and a ton of silk in the other, for all this report shows; and unless the comparison is given between similar commodities as well as between similar tonnage and mileage, it is of no value whatever. Again, this report fails to take into account the percentage of available space occupied on each of these trips from Canadian ports to the Old Country, yet that is an essential factor in considering the costs. Again, it makes no reference to the return cargoes, another point which must be had in mind in that connection. So I think the House will agree that we should not attach too much weight to the report which is before us but that we should rather discuss the matter from the point of view of common sense and ordinary judgment, as well as of those facts which are familiar to all of us.

Having come to the conclusion, however, that excessive rates exist and that those excessive rates have been at least partly brought into being through the efforts of a combine, we come to the question of how that combine shall be controlled and how those rates shall be reduced. A suggestion is placed before us by the hon. Minister of Trade and Commerce (Mr. Low), namely, that a certain line of steamships consisting of ten vessels shall be subsidized by this country with a view to reducing rates. Now, on analysis, what does that mean? I may say in parenthesis that it is impossible to know just what it does mean in the absence of any explanation in the report of the points I have mentioned. Unless it can be shown that exorbitant profits have