

The Budget—Mr. Lucas

The figures are also now available with regard to the export of Canadian wheat for the crop year ending 31st August, 1924. They are as follows:

	Bushels
To United States for consumption.. . . .	21,320,242
To United States seaports for export.. . . .	141,079,337
Exported from Montreal and Quebec.. . . .	63,568,444
Exported from St. John.. . . .	9,412,533
Exported from Vancouver.. . . .	53,809,505
Total.. . . .	289,190,061

These figures show that the eastern coast exports continue as before, 66 per cent via United States seaports and 34 per cent via Montreal, Quebec and St. John. This is a very vital question, and these facts are in themselves a strong argument for the equalization of our freight rates through the mountains to Vancouver. In view of the percentage of grain that is going through American ports at present, to my mind there is no reason why we should not make every effort to encourage the shipment of that grain through our own Canadian ports. So far as the reduction of the mountain freight rate is concerned, I would point out that there are no mountains so far as grade is concerned from Edmonton to Vancouver, because we have as low a grade between those two points as prevails between Edmonton and Fort William.

According to the report of the grain commission the distance over which this great volume of business is being carried across the Atlantic are as follows:

Via New York—

	Miles
Winnipeg to Fort William, rail.. . . .	420
Fort William to Buffalo, water.. . . .	860
Buffalo to New York, rail.. . . .	400
New York to Liverpool, ocean steamer.. . . .	3,100
Total.. . . .	4,780

Whereas if sent all rail to Quebec or Montreal, the figures would be:

Via St. Lawrence—

	Miles
Winnipeg to Quebec, rail (1,372 to Montreal).. . . .	1,350
Quebec to Liverpool, ocean steamer.. . . .	2,633
Total.. . . .	3,983

So that, as this report states, western province grain exported via New York has to be carried 800 miles further than if it were shipped at Quebec, or about 650 miles further than if sent all rail to Montreal. I quote further from the report of the commission:

It is true that the grain sent by New York has a shorter rail haul than that sent all rail to the St. Lawrence, but on the other hand, it is subject to two double transshipments, one at Fort William and one at Buffalo, which are not encountered on the other route. These additional elevator charges, combined with the lake freight and marine insurance from Fort

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William to Buffalo, not incurred on the all rail Canadian route, should more than compensate for the greater rail haul. For instance, the cost of handling wheat from Fort William to New York, in October, 1923, was:

	cents per bushel
Elevator charge, Fort William.. . . .	1.25
Lake freight, Fort William to Buffalo.. . . .	5.20
Marine insurance.. . . .	0.30
Elevator, Buffalo.. . . .	1.00
Railroad freight, Buffalo to New York.. . . .	9.10
Elevator, New York.. . . .	1.00

Total cents per bushel.. . . . 17.85

The total by the Georgian bay route was 16.65 cents a bushel and by the all water route, 15.45. So that even if our grain went east through all-Canadian ports we find that it is a cheaper rate than going by New York. We find further from this report that in 1916 a rate of six cents a bushel from Winnipeg to Quebec was in effect on the National Transcontinental Railways, and Dr. Reid then Minister of Railways stated at that time that it was a profitable rate. A great deal of grain flowed that way under the six-cent rate. But later that rate was raised to 20½ cents a bushel, and the result has been that the shipments have dried up. It seems to me that the government might well look into these questions and see whether a rate could not be provided that would keep more of our grain in Canadian channels. If we had a rate from Armstrong to Quebec in line with the Crowsnest rates from the west to Fort William, we would have a rate of 11 cents a bushel instead of 20½ cents from Armstrong to Quebec. It seems to me that it would be good business to divert that traffic to our own Canadian railways rather than let it go through American ports. Moreover, the handling of this grain when it goes through our ports will provide a great deal of work for our own people.

Another matter that affects us vitally in the West is discrimination as between domestic and export rates. We find that in shipping grain through Vancouver the domestic rate is 41½ cents per hundred pounds, while the export rate is 22½ cents, a difference of 19 cents. Now when we come to ship that same grain, say to Montreal we find that the domestic rate is 63½ cents per hundredweight and the export rate 60½ cents or a difference of only 3 cents as compared to 19 cents at Vancouver. It certainly seems rather hard to understand why we should be penalized on the western route to that extent. I may say that our trade with the Orient is developing very largely so that rates on the western route are a matter of great importance.