

*Supply—Hudson Bay Railway*

quoted it is usually two cents in excess of the liner rate and less than seven cents has hardly ever been quoted, so that even if the Port Nelson route could get as good insurance as Montreal the best that can be offered would only equal the Montreal rate to tramps. On account of trans-shipping difficulties it is hardly possible to conceive of liners running to Port Nelson or package freight being handled in large quantities.

In the figures given I have assumed that it will always cost twice as much to furnish the labour to handle a cargo at Port Nelson as it will cost to furnish the labour to handle a cargo in Fort William or Montreal, and I also assume that the operating cost per ton mile on the Hudson Bay railway will be 40 per cent higher than a railway between Saskatoon and Fort William, both on account of the increased price of fuel and the shortness of the season, which I consider must synchronize with navigation from Port Nelson to Europe. I can prove that I am within the mark in many ways. If a man is brought here for two months' work as much will be paid out for transportation wages and time as there is for work done, provided no higher rate is paid than in Fort William and there is in addition the cost of assembling and disbanding the organization. Though transportation on these works has amounted to 28 per cent of the payroll, yet there is also a large amount of overhead charges carried by other accounts in the nature of waiting for the season and other things. The construction season here has been nearly three times as long as the operating season will be and one of the embarrassments of the future construction work will be the absence of work in April and May. The very thought of bringing together an organization to operate a port for two months with no other diversion but the loading of irregular ships and then disbanding again as abruptly, is, of itself, a most difficult task and its cost will be very nearly the cost of a similar organization elsewhere if operated for their season. The stationman on the Hudson Bay railway makes \$10 per day for ninety days and does nothing the rest of the year. Our men here do nothing outside from November to April, and so it will be for all time.

If you have any doubts re this matter, think of our experience with the stevedore. Time in, time out; transportation in, transportation out; and ten hours when there are no ships.

I have no longer any hesitation—

And remember that is the resident engineer on whose advice the government were depending.

I have no longer any hesitation; the Hudson Bay railway is doomed to certain failure. There may be fish in Hudson bay, but there is no fishing season. There may be minerals on the east coast, but they are as accessible from Halifax as from Port Nelson.

There is nothing for the Hudson bay north of the Huronian rock out-crops south of Split lake, so long as the St. Lawrence river route is available and as for agricultural possibilities north of the same point, there are none.

Yours very truly,  
D. W. McLACHLAN.

In the face of that report anyone who is concerned about the increasing burden of debt  
[Mr. Cahan.]

and taxation which the people of this country must bear, but who nevertheless is anxious to see every consideration given to the furtherance of the interests of the various sections of Canada including the middle west, in order to give them the cheapest possible rates from their producing centres to the markets of Europe, must hesitate, if he is a man accustomed to dealing with facts and figures, before voting large expenditures upon the completion of the Hudson Bay railway, with the main purpose in view of providing cheaper grain rates from the middle west through Hudson bay and the the straits to Liverpool and other European ports. I will pass over the other reports dealing with the difficulties of constructing terminals; of overcoming the ice obstacle; of the fact that ships can come only in special weather within 20 or 22 miles of the proposed wharves and docks at Hudson bay; of the fact that there is ice filling up a large part of the estuary and preventing ships having access to the harbour works from November 15 until the following April and May.

But in passing I should like to refer to a further report. We all know that in 1920 the Senate formed a special committee to report, not on the feasibility of constructing and operating the railway, not on the cost or future value of the terminal works at Port Nelson, but to confine itself solely to the navigability of the straits and the bay during the various seasons of the year. That committee met. With regard to the evidence placed before that committee, and as to the report the committee made, I do not think any practical man who has had very much experience in the construction of large engineering works, would, on that evidence and on that report, authorize on behalf of any company an expenditure of \$500,000 at the least. I happen to have had, during some seven or eight years of my life, experience as the local executive head of a company that carried out one of the great undertakings of the world, employing for seven or eight years some 15,000 to 20,000 men, and having at least 300 competent engineers from every part of the world to consult with, in making a railway through mountains which, if not inaccessible, were accessible with great difficulty, in building the largest dam in the world until it was surpassed by the Gatun dam of the Panama canal, and in building an enormous reservoir which wiped