

## EVENING SESSION

The Committee resumed at 8 p.m. on Wednesday, April 27th, in Room 368.

The CHAIRMAN: Mr. Hayes, Traffic Manager of the Canadian National Railway, will be here next week, and he would prefer to wait till next week, when he will have perhaps better information to give us. He suggests that we should also invite a man from the Canadian Pacific Railway and one from the Grand Trunk; he mentioned Mr. McInnes of the Canadian Pacific Railway and Mr. Dalrymple of the Grand Trunk.

HON. MR. MCCOLL: Mr. Hayes suggested that we call Mr. Crerar, who had perhaps more knowledge of western conditions.

The CHAIRMAN: That is about transportation. Mr. Crerar might be very valuable. I was speaking of rates, and Mr. Hayes suggested those names on that subject.

HON. MR. MCCOLL: I think we should have a grain expert—a man who is dealing with grain every day in the grain markets of the world—if such a man could be found.

The CHAIRMAN: I think we will get those three railway men on Wednesday of next week at 10.30, then you might call whoever you wish. On the request of Mr. Tessier, I intend to get Mr. J. G. Scott, of Quebec, as he is very well versed in harbour and railway matters. Now I suppose you will all like to hear Mr. Harling further on this question.

THOMAS HARLING, recalled.

*By Hon. Mr. Webster:*

Q. We deferred the question of Marine insurance, and you were to give us some information on that; then there was the question of grain elevators and terminal facilities generally, whether they were sufficient for handling ocean steamers. Perhaps you might deal with insurance first?—A. The question of Marine Insurance has always been a very sore point in the St. Lawrence shipping trade, and for quite a number of years agitations have been started in favour of obtaining a reduction in the rates from Lloyds, in London, who control the Marine Insurance practically of the world. All our steamers belonging to the different lines are insured either at Lloyds at London or by the Marine Insurance Companies. There is a distinction between them and Lloyds. Lloyds are private underwriters, individual underwriters, and the companies are doing the same business, but as companies. They insure the vessels and the cargoes practically all over the world, and their rates are the basis of Marine Insurance rates everywhere. In New York during the last few years quite a number of new companies were formed and they are insuring American ships and American cargoes. Their rates are based upon Lloyds rates. As I explained this morning, while the Marine Insurance on the steamers themselves are what are called annual policies, that is to say, the ship is insured from a specific date for the whole year round—usually from the 18th February to the 18th February of the following year—the rate on the steamer is fixed from a base rate which includes all the world over in what we might call favoured localities, that is, ports that are well known and considered to be safe for navigation purposes of the ordinary type of vessels. Then there are exceptions. For instance, in the St. Lawrence a higher rate is charged on every vessel trading through the St. Lawrence, because it is considered an undesirable risk. In Montreal we have always endeavoured to prove that we ought not to be outside of the range of the ordinary policy. We have made that point, and the reply of the underwriters has invariably been, "When you can show us that the accidents in the St. Lawrence prove that the navigation is safe, then we will reduce our rates of insurance." As a matter of fact, during the last 20 or 25 years we have spent, I suppose,