

Senator WATSON.—Providing you could load at Fort William in a day and unload at Montreal in a day what reductions could you make and have a paying rate?

Mr. HENDERSON.—I think we could knock half a cent a bushel off; but you cannot charter boats that way; if you ask a shipper to load a vessel in half a day he will not do it; then some other fellow comes along and says, 'I will take a chance.' There is no question that the improvement of terminals to a point where a shipper could guarantee despatch to the vessel would be a considerable factor in the reduction of rates.

Senator WATSON.—It would be half a cent per bushel?

Mr. HENDERSON.—Yes.

Mr. NESBITT, M.P.—You mentioned some delay in Port Arthur; what is the reason of your delay there?

Mr. HENDERSON.—Well, it seems to be disappointment at the elevators, and the multiplicity of grades of grain that have to be loaded, and the distribution of those grades to the different elevators. I have had boats go up there to load containing a summer cargo of seventy thousand to one hundred thousand bushels of grain, that have had to go to eight or ten elevators. We go to one elevator and take on a certain amount of their cargo; then they move to another elevator and there they find two or three boats ahead of them and have to wait their turn; they get a few thousand bushels more there, and go on to another elevator, where they have to wait their turn, and so on.

Senator WATSON.—I understand that under the new clearing house arrangement at Fort William, a vessel could load at one elevator without going back and forward?

Mr. HENDERSON.—The vessel could load at one elevator if she has one kind of grain and the clearing house can give you the grain out of that elevator; but our experience, and I think the records will show that since the clearing house was established the despatch at elevators at Fort William has been no better than it was previous to the clearing house. I do not think the boats have derived any benefit from the Lake Shippers Clearing House.

Mr. NESBITT, M.P.—This is all very good.

Mr. HENDERSON.—I want to be perfectly frank; I have nothing to hide.

Senator WATSON.—Then a three cent rate is not a paying rate from Fort William to Montreal?

Mr. HENDERSON.—No, it is a killing rate. I think the chairman brought up the question of a report of a Commission from Saskatchewan. Last year I had a visit from a gentleman from Saskatchewan, I think his name was Haslam, and I practically gave him all the information I could; I let him look at our books and through our grain contracts, and I showed him the earnings of our boats for the previous year. Before doing that we agreed on a fair valuation for a Montreal canal freighter, and also agreed on the amount of money that that boat should earn in a season in order to give a return on the investment. After we had arrived at that point I then showed him the earnings on a fleet of seven canal boats, all fairly modern boats, for five years and the average net earnings of those boats for five years, without charging anything for management expenses, was about 25 per cent less than what Mr. Haslam agreed would be a fair return for the boats. I have not heard from Mr. Haslam since.

Mr. MACLEAN, M.P.—He made the statement that the freight rates have increased from 75 per cent to 100 per cent, and that if that is to continue the raising of wheat will be an impossibility in the Canadian west, and that is what the problem is to us—not so much to take care of rates as to make it possible to work the country in the west.