

the diversion of considerable tonnage to the American routes. It is now an open question as to whether the completion of the Erie Canal, and the proposed operation of oil power barges, will not destroy the advantage the Canadian water routes have hitherto enjoyed over those on the other side of the line in moving freight forward to the seaboard—an advantage which has been vitally necessary owing to the advantages enjoyed by the American seaports over those of our own—so that any movement which might in any way curtail this already threatened advantage would appear to be a serious commercial blunder.

It may be urged that a movement of this kind which is being opposed by the Transportation Companies might logically receive the support of the manufacturers, whose interests, in the matter of freight, might be expected to be exactly opposite. This, however, is not necessarily so, since, as long as the manufacturer is not hampered by a monopoly, his right to contract in accordance with his own judgment is the very life of his business—freight being something which he has to purchase as carefully as his raw material.

We are, furthermore, very strongly of the opinion that, so long as the manufacturer and consumer are protected by competition against anything unfair, the less general business is hemmed in by Government regulations, the stronger and healthier will be our organizations, and Canadian merchants in all lines will be better able to serve our own markets, and better able to compete in the markets of the world.

Our own experience of water carriage conditions is very extensive, and as at the present time we consider these to be satisfactory, we have no hesitation in saying for the reasons above outlined, that the proposed measure is not in the best interests of Canadian trade generally.

Yours truly,

THE OGILVIE FLOUR MILLS CO., LTD.

G. ALFRED MORRIS,

*Secretary.*

#### MONTREAL CORN EXCHANGE ASSOCIATION.

OFFICE BOARD OF TRADE.

MONTREAL, May 27, 1914.

GENTLEMEN,—Owing to the sitting in Montreal to-morrow of the Board of Grain Commissioners for Canada, and the consideration by that Board of a number of matters of vital interest to the members of this Association, it has been found impossible to secure the attendance of representatives at the meeting of your Committee to-morrow to hear the views of the public on the question of the regulation and control of tolls and tariffs of Canadian water carriers by the Board of Railway Commissioners as provided in Clause 358 of the draft Bill to amend and consolidate the Railway Act, this Association, therefore, begs to embody its views in writing, which we do herewith.

The local and exporting grain interests are most strongly opposed to any regulation or control of the inland water rates which would result, as we are confident the present proposal would if adopted, in the elimination of competition among water carriers and consequently in the removal of a check on rail rates.

Enforced uniformity of water rates would undoubtedly tend to concentrate the water borne business in the hands of the larger companies, and would drive the smaller companies, whose irregular service and lack of equipment would not entitle them to the standard rates, out of business. Another very serious objection to the proposed regulation of water rates is that United States vessels, being entirely free of regulation, could at all times underbid the Canadian boats for the grain carrying trade, they being free to carry Canadian grain from Canadian ports to American ports and any grain from American ports to Canadian ports without limitation as to rate or service.