

miles by the Transcontinental Railway, being 61 miles shorter than the distance from Montreal to Winnipeg by the C.P.R., and 108 miles shorter than from Montreal by the C.N.R.—another division of the Government Railway System. However, our position is better than it was before the Quebec Bridge was completed, when our merchants had to pay ferriage on their goods crossing the river. So, we do not complain at being put on the same footing as Montreal for Winnipeg business.

When the National Transcontinental Railway was undertaken in 1903, we were told that its construction would result in cheaper rates of freight to and from the Prairie Provinces, owing to competition, and that the danger of the diversion of the export grain trade of those provinces to New York via Buffalo, which then menaced, would be averted, owing to the ability of this road, through its shortening in distance and better grades, to carry the grain all rail to Quebec cheaper than could be done by the rail and lake route to New York, or to Montreal.

A reference to the Hansard for 1903 will show that this was promised in Parliament by members speaking for the Government.

The contract made between the Government and the Grand Trunk Pacific Railway, embodied in the Statutes of 1903, provided that the railway company should influence all its traffic possible to Canadian ports for export, and should keep constantly at the Canadian seaports of its line a supply of ocean tonnage to handle all the goods offered the railway for export.

The Government Engineer in charge of the construction of the railway under the Borden Government—Major Leonard, C.E.—wrote to the Quebec Board of Trade on October 15, 1913, stating that the Transcontinental Railway is 214 miles shorter from Winnipeg to Quebec than the Canadian Pacific, and that its grades are so good that its freight trains will be able to carry 1,780 tons of lading, as compared with 940 tons by other roads.

On September 2, 1913, the late W. A. Marsh, President of the Quebec Board of Trade, wrote to Sir Robert Borden, stating that in order to handle the grain trade, to be brought over this road continuously, winter and summer, it would be necessary to have grain storage for ten million bushels at each of the seaports of Quebec, Halifax and St. John; Montreal being already fairly provided for.

In 1910, it was agreed by notarial contract that the Government would expend two millions or more on terminals on the water front of the city of Québec in Champlain ward, and the timber was actually purchased and delivered at Quebec for carrying out this work, in part. In view of this and other promises and evidences of good faith, the city of Quebec gave to the Government, for a nominal sum, for the terminals of this railway, a deep water front property, the Champlain Market, worth about two millions, and allowed the Government railway authorities to destroy a building thereon worth a quarter of a million.

In 1913, the Hon. Mr. Cochrane, then Minister of Railways, after examining these terminal properties, promised that the ten million bushels elevator asked for by the Board of Trade would be built at Wolfe's Cove, on ground forming part of a large area of deep water frontage, about three miles in length, purchased by the Borden Government for terminals for the Transcontinental Railway, containing about twelve million superficial feet, and not yet made use of.

Nothing has been done towards fulfilling any of these agreements and promises, and against the thirty million bushels of storage suggested by our Board for Quebec, Halifax and St. John, we only have a small elevator of two million bushels, erected by the Quebec Harbour Commission.

In 1916, when the Transcontinental Railway was completed, except as to terminals, Mr. Cochrane made an effort to redeem the promises made us as to the grain trade, and the Traffic Manager of the Transcontinental Railway, Mr. C. A. Hayes, made a special rate of freight of six cents per bushel upon export wheat from Armstrong (equidistant with Fort William from Winnipeg) to Quebec.