

No combinations of steamboat companies even of all the Canadian companies, can control. If we were all merged we could not control, because we have the competition of our friends across the border running to Buffalo, and Buffalo has half a dozen outlets on the Atlantic, while we have only one, Montreal. There is a good deal of talk about Canadian grain being diverted to Buffalo. One would imagine that Montreal could handle all the grain that we have to export. That is a mistake. Montreal gets all the grain it can handle, and the surplus as a rule, goes to Buffalo simply because Montreal cannot handle it.

Senator LOUGHEED.—What proportion would that be?

Mr. HENDERSON.—About 50% of the Canadian crop.

Senator YOUNG.—I think more than that.

Mr. HENDERSON.—Last year our terminal facilities at Montreal were so bad that we had vessels waiting five or six days to unload. It takes six days from Fort William to Montreal and six days to return, but unfortunately with bad terminals at Fort William, we were three and four days getting a load, and when we get to Montreal we may get out in two days, but it is usually four days and sometimes six days, and then you talk about Canadian vessels making a barrel of money. The only thing we save by having a boat in port is 75% of our fuel bill. Instead of burning 15 to 20 tons a day we burn 5 tons, but our provisions and general upkeep of our boats is going on just the same and costing us about \$125 a day while we lie in port, making allowance for the saving in our fuel. You hold that boat there four days longer than necessary and it means about $\frac{3}{4}$ c. a bushel on her cargo of grain.

Senator WATSON.—Suppose you could get good terminals, would you consider three cents a bushel a profitable rate?

Mr. HENDERSON.—No, five and a half cents a bushel would be a good rate to Montreal if a man had steady traffic from spring to fall with good despatch. He could make good return on his capital.

Senator LOUGHEED.—In what respect are those terminals wanting?

Mr. HENDERSON.—That is a very difficult question to answer. Two years ago we said it was lack of storage capacity in Montreal, but the Montreal storage capacity has been increased in the last two years from two million to five and a half millions, and the conditions to-day do not seem to be much better. We get a little better start in the spring, and then the elevators fill up and we are just as badly off as we were before.

Senator LOUGHEED.—Is it want of elevator capacity?

Mr. HENDERSON.—Yes. It is the amount of grain running into Montreal. I said it was due to lack of terminal facilities at Montreal, and I can include in those facilities ocean steamers out of Montreal. If we had double the ocean tonnage trading out of Montreal we could handle double the amount of grain.

Senator YOUNG (Chairman).—Was there not a complaint last year that the trouble in the port of Montreal was due largely to the fact that the grain dealers used the elevators for storage—that they made them storage elevators instead of transit elevators?

Mr. HENDERSON.—There was that complaint made; whether it was true or not I am not in a position to say; I would rather the shippers would say as to that.

Senator YOUNG (Chairman).—Was there not a penalty imposed on those who practised that?

Mr. HENDERSON.—Yes, but I don't think the change lasted very long.

Senator WATSON.—You say that under present conditions you think five cents would be a fair rate?

Mr. HENDERSON.—I said five and a half cents would be a fair rate under present conditions. That is, mind you, if we can get it from spring to fall.