

but it would be as cheap as any in existence at the present time. We have always contended in Canada that our canal systems have been regulators of freight rates, as they have contended in New York state that the Erie canal has been a regulator of freight rates. The Erie canal does not have the capacity of the St. Lawrence canals for carrying a large volume of traffic, but it has always been the regulator of freight rates, and they never would have got such a low rate on the New York Central for grain going to the sea-board if it had not been for the Erie canal. I have very much the same criticism to make in regard to our transportation schemes as my hon. friend from East Simcoe made. It has been demonstrated that east of the lakes there is very little profit in carrying grain. Whatever profit there is in carrying grain is west of the lakes where the railway companies have more of a monopoly and they can regulate their rates to suit themselves to a greater extent. But once you land the grain at the head of the lakes, competition is very keen and there is very little money in carrying from that point.

Mr. SAM. HUGHES. You are speaking of through grain?

Mr. KEMP. I am speaking of grain for export.

Mr. SAM. HUGHES. The rate on grain from points in my constituency to Montreal is greater than it is from Fort William to Montreal.

Mr. KEMP. I know that local rates are very much higher than through rates. That is another question that I do not intend to dwell upon just now, but I would like to invite the attention of the minister to the number of routes east of the lakes that we have in working order at the present time. First, I will refer to the American system of railways and transportation which routes are very numerous, which we all know about and which are an important factor with respect to competition. Then we have the Canadian Pacific Railway from Owen Sound to the sea-board and the Canadian Pacific Railway from Victoria harbour to the sea-board, which has been referred to by my hon. friend from East Simcoe. We have the Grand Trunk Railway from Depot Harbour, Parry Sound, Midland, Collingwood, Wiarton, Goderich, Sarnia and Windsor. We have the St. Lawrence canal system and we will have, I suppose, the Trent canal system. Then we have the system that we are referring to at the present time, and which is part of the St. Lawrence canals system—the scheme of transferring grain at Port Colborne, taking it from large boats and putting it through the elevator. We have before us the Hudson Bay Railway. We have the Georgian Bay canal scheme and we have the Grand Trunk Pacific scheme. Hon. gentlemen will remember that in the debate upon that

Mr. KEMP.

scheme in this House we were told that the Grand Trunk Pacific would carry grain to the sea-board at a cheaper rate than it could be carried by any canal or railway in existence. It is on record in 'Hansard' that ministers of the Crown made that statement when the Grand Trunk Pacific Bill was going through this House. We have also the Erie canal and the American transportation system. It seems to me that the time has come when we should call a halt. If we have money to spend and if money can be saved to the benefit of the farmers in the Northwest it seems to me that the very first thing that we should ascertain is whether or not we can save sufficient to warrant us in spending what will be required to deepen the Welland canal. That seems to be a feasible project, because if we can load these large vessels to carry half a million bushels of wheat as far as Kingston and Prescott, where it can be transferred to barges which would float down the river to Montreal—it would be as cheap to store the wheat in those barges as to put it into the elevator at Montreal—and if the wheat could then be transferred through floating elevators to the steamships at Montreal, it strikes me that it would have the effect of reducing the cost of carriage and of diverting a large amount of the grain trade to the St. Lawrence route. That, it seems to me, would be an inexpensive way by which the produce not only of the northwestern states, but of our own Northwest could be transported to the sea-board. We should not invest another dollar in any of these schemes before we have ascertained from experts what is the cheapest way of transporting a bushel of wheat from the head of the lakes to the sea-board.

These engineers' reports go for nothing in my mind. They gave us information as to what can be done and in these days of advanced engineering almost anything can be accomplished if you are willing to spend the money. If after the work is done you can carry a bushel of wheat a fraction of a cent cheaper by one route than by another, you can divert the traffic by that route. Although I am greatly in favour of the Welland canal route for many reasons, even in reference to it, I think that the only proper way to proceed is to have the opinion of experts as to whether grain can be carried to the sea-board by that route cheaper than by any other. I am thoroughly opposed to going into so many half digested schemes of transportation and talking big to the people all over the country, trying to make them believe we are to deepen the Welland canal and the St. Lawrence canals and to have the Georgian Bay canal, when it is impracticable to do all these things, when we cannot afford them. Let us devote our attention to one scheme. A 25-foot Welland canal would be efficient to carry all the grain of the Northwest. But while doing