

of that trade takes that route, and that we are paying many millions annually to United States railways, lake carriers and elevators, that would be earned by our own railways and train men, if it were possible to export this grain at Canadian seaports. Since this evidence was taken, and at the present writing Government statistics show that the diversion still continues, and that of the bountiful crop of 1921 no less than 99 million bushels of wheat went from Fort William to Buffalo.

After all the sacrifices that Canada has made in building three transcontinental railways, it is impossible that we should go on allowing our seaports to be deprived of their legitimate traffic, to obtain which our people have been and are being so heavily taxed. A persistence in this policy must inevitably lead to serious dissatisfaction not only in Quebec and in the Maritime Provinces, but also amongst the farmers of the Northwest, who will soon realize that these hostile railway tariffs are imposing a burden upon them which they are not called upon to bear.

It may be, as some of our railway witnesses have suggested, that a reduction in the rate upon grain to our seaports might lead to reprisals and corresponding reductions on the part of United States railways which have been handling so large a share of this traffic. It cannot be injurious to our own railways, because it is an export traffic which practically they are not getting.

In any case such reprisal would certainly benefit the Western farmer, and your Committee feel that it is their duty to report that they recommend that the petition of the Quebec Board of Trade, as stated in the Memorial of that Board to the Railway Commission, dated 3rd February, 1921, hereto attached, be granted, and that the Government be advised:—

(1) To cause rates to be granted upon export grain over the Canadian National railways to Quebec, Montreal, Halifax, St. John and Vancouver, such as would develop trade through the above ports.

(2) As a corollary to the recommendation in paragraph one that necessary elevator accommodation should be provided by the Dominion at Canadian ports.

(3) To arrange with the Marine underwriters or others in such a way that the marine insurance rates from Canadian seaports be as cheap as from United States seaports.

This Committee recommends that 2,500 copies of this report be printed and also 400 copies of the evidence adduced before the said Committee, and that Rule 100 be suspended in so far as it relates to the said printing.

Respectfully submitted,

D. O. L'ESPERANCE,  
*Chairman.*

### MEMORIAL TO THE BOARD OF RAILWAY COMMISSIONERS OF CANADA BY THE QUEBEC BOARD OF TRADE

QUEBEC, February 3, 1921.

*To the Hon. F. B. Carvell, Chairman, and the Commissioners of the Railway Commission at Quebec:*

Gentlemen,—The Quebec Board of Trade would respectfully bring to your attention the following questions in connection with the freight rates in which the city and district of Quebec are concerned.

We may premise by saying that since the completion of the Transcontinental Railway by the Government, the railway freight rates between Quebec and Winnipeg and western points have been the same as those charged from Montreal. This is a little to our disadvantage, because the distance from Quebec to Winnipeg is only 1,350