

grain was not available I had to fall back on something else, and I went to Minneapolis and brought Minneapolis flour here in competition with American ports. In order to obtain those cargoes you had to prove that your route was as safe as that of any other of your competitors, and your rate of freight was as low, if not lower. I will illustrate that by only one instance. In a certain year I wanted more dead-weight cargo because we had no grain. I went out to Minneapolis because I knew there was a tremendous export of flour from Minneapolis by United States ports. I wanted to know how much the through rate was from Minneapolis to London, because we had a service from Montreal to London, to fill the large steamers. They said the rate was 23 cents per 100 pounds through. Western flour is always sent with through bills of lading. I said, "How much do the railways take out of that?" They said, "13 cents." That left me 10 cents for the ocean trip. I said, "That is a very low rate," but I had to have the business, so I said I would take it. They said, "Oh, but we can't get you 23 cents." Then I said, "I will take 22½ cents." The railway rate was the same to Montreal as to New York, Boston or Philadelphia; and that is one of the basic principles of transportation that at your competitive ports your inland rates were at that time, and are to-day, practically the same.

Hon. Mr. BENNETT: What year?

Mr. HARLING: Right away back as far as 1895; and of course we had a slight preference at that time in favour of Montreal. There was a two-cent differential in favour of Montreal by inland routes; but since that the differential has disappeared, so that all shipments are on a competitive basis from their point of origin to the point of shipment.

Hon. Mr. WILLOUGHBY: There is still a differential, is there not, in favour of Baltimore and Newport News?

Mr. HARLING: On account of its shorter distance.

Hon. Mr. WILLOUGHBY: Over New York?

Mr. HARLING: Over New York, that is the reason. If you start on that basis—that the through rate from the emanating point to the export point is the same—then you can see how the different ports are at an advantage or disadvantage from one another. Naturally the port which has the largest amount of ocean tonnage is the most attractive. New York has always been the most attractive port of export, not because it has any special facilities, but because it has lines of steamers to the different parts of the world, and you can practically ship your cargo to any port in the world from New York.

Hon. Mr. CASGRAIN: Liners will carry cheaper than tramp steamers?

Mr. HARLING: Liners are obliged to carry slightly cheaper than tramps in order to keep the tramps out of their business. Montreal has a considerable disadvantage as compared with New York from the fact that we are only open for seven months in the year. That is our primary difficulty. There is another difficulty—

Hon. Mr. BENNETT: Before you leave that at what date was the Montreal port closed, at a rule?

Mr. HARLING: The 25th of November.

Hon. Mr. WEBSTER: What about Quebec?

Mr. HARLING: Probably about a month later, according to the weather.

Hon. Mr. WEBSTER: And a month earlier in the spring?

Mr. HARLING: Yes, and in the spring it might be two weeks or three weeks, according to the weather, which varies. Then another disadvantage we have in Canada, and always have had, and always will have, is the question of extra insurance. Navigation across the Atlantic from Great Britain to New York, Portland or Baltimore is practically open ocean navigation; but when you come to Canada you require to come around Cape Race, through the Gulf, and up the St. Lawrence—over 850 miles from