

NEW ONTARIO'S WATERWAY ALSO PROVIDES AN ECONOMIC GRAIN ROUTE TO MONTREAL.

creases costs. Being their **Main line** across Canada, it is already equipped with 80 and 100 pound steel, cement culverts and steel bridges, constructed and used for heavy through traffic. True, their grades could be better, but the grades that are over 1 per cent are nearly all momentum, and some of them could be easily reduced to a 1 per cent standard, if not to a .75, which is unquestionably what would be done during the period in which the waterway is being improved.

Quoting Sir Thomas Sloughness's letter:

"If the French River route had been opened to North Bay, as it should have been, we would not have built our line to Port McNichol east, because it would have been better to have double tracked the line between North Bay and Montreal. As it is, our grain route is now by way of Port McNichol, but with the growth of Western Canada, no doubt, there will be traffic for the French River route, also, if the requisite work is done."

To appreciate the absolute necessity of economy in wheat transportation, our vision must carry us beyond Canada's shores.

Are we competent to condemn a grain route favored by experts like Baron Sloughness and others, if we do not appreciate that (taking for instance the normal years of 1910-11) the Argentine to Liverpool berth rate on wheat was 5.78 cents as against the New York to Montreal to Liverpool rate of 3.18 cents per bushel?

Argentina has no long haul from the interior. The rail mileage on our "lake and rail" movement is yearly lengthening towards the Peace River district, until it averages 1,500 miles.

Widen our vision further, and see our prairies competing with other wheat-producing countries exporting to world markets and competing as follows: (Wheat and flour are averaged for nine years prior to the war): United States and Canada, 33% (cons approximately 14%); Russia 25%; Argentina, 16%; Balkans, 10%; India, 7%; Australia, 7%.

Limiting immense standing armies, such as Germany, to 100,000 men, means increased production of wheat and foodstuffs in Europe. Clearly remember that our wheat must continue to yield such profits as will populate not only our Western Provinces, but also the manufacturing east.

We know **we are not guessing anywhere in this report** that our New Ontario's waterway is not only economic transportation, but will divert the American wheat flow, and that you as a shareholder of the Canadian National Railway and Ocean Steamships—as a patriotic citizen—prefer to see the 60 per cent of Manitoba, Alberta and Saskatchewan wheat that Government railways will deliver to the Head of the Lakes not only carried in Canadian bottoms on the Great Lakes, but also via Canadian railways to Quebec and Maritime seaports to combination liners of our new Canadian merchant marine.