George H. Smith, secretary, listed the practicable exports during the coming year and compared freight and storage rates to show that $1,250,000 could be saved by shipping through the Bay route.

Development of the route via Churchill was the principal business of the meeting, Mr. Fortington pointed out. He had found many erroneous ideas as to the efficiency of Churchill.

One of the biggest obstacles to export by Western Canadian shippers was that they found their prices out of line, due to the expense of the long rail haul. Churchill should be the solution of the Western exporters' problem by reducing exporting charges.

I repeat, honourable members, that I am not quoting these newspaper reports in order to discredit the St. Lawrence waterway. Undoubtedly it is a good route, but it has its defects just as has the Hudson Bay route. We are proud of the successful operation of the St. Lawrence route. It has been a great national undertaking. But I submit that the Hudson Bay route will prove just as successful and just as beneficial to Canada.

Now I desire to direct the attention of the House to the test shipments of cattle over the Hudson Bay route. In this connection I cannot do better than read statements made by the exporters themselves and the opinions of cattlemen generally. Mr. Macdonald Holmes states:

It cost the Western Stock Growers Association, Calgary, an average of $32.22 a head to ship and market the 200 head of cattle that constituted the first shipment of stock out of the Hudson's Bay.

It cost $28.32 per head to take the cattle from the farms to Birkenhead and $3.90 per head to sell them on the other side.

The interesting costs are those of getting the cattle over, for the selling costs on the other side are always about the same, no matter from where the shipment comes, nor by what route.

The shipment shows a saving in favour of the Hudson's Bay route over shipments made by the Montreal route. Here are the average cost figures per head on the Churchill trial shipment, compared with the costs on two other shipments via Montreal, one of which was of heavy cattle and one light:

Montreal and Churchill Shipments Compared

		Montreal Heavy		Montreal Light		Churchill "Trial"
Freight, feed, yardage to ship		$17 28		$ 8 99		$ 5 59
Ocean feed—						
Hay and straw	$1 90		$1 87		$3 61	
Grain	96		94		none fed	
Total feed		2 86		2 81		3 61
Rope, pails, tagging, etc		52		54		47
Ship's wages		50		50		50
Broker fees (handling)		50		50		25
Marine insurance		84		56		2 90
Ocean freight		15 00		13 50		15 00
Totals		$37 50		$27 40		$28 32

I submit, honourable senators, that I have demonstrated that the Hudson Bay route is capable of handling a very substantial portion of the commodities of the Prairie Provinces. At the present time additional elevator storage is needed at Churchill. With a storage capacity of fifteen or twenty million bushels of wheat there would be no difficulty about getting cargo space. Ship owners are ready and eager to handle all the traffic we can offer them.

Now as to the cost of the Hudson Bay Railway. The actual cost to date, including the Port Nelson terminal, is said to be $55,000,000. In reference to this expenditure it must be borne in mind that certain lands in the Prairie Provinces were set apart for the purpose of the building of the railway. From these lands the Federal Government realized for pre-emptions $18,697,346, and for purchased homesteads $3,294,840. There is a balance owing by purchasers of $3,150,000. Deducting the total of $25,142,186 from the total cost—and we have a perfect right to do this, since the lands belonged to the provinces—we find that the actual cost to the country is about $30,000,000. In these figures I am making no allowance for interest. I do not want to reflect on other ports, but those who complain of the cost of the Hudson Bay route should not lose sight of what it has cost the country to provide other outlets for our commerce. So far as I have been able to ascertain, we have spent on the St. Lawrence waterway $300,000,000. In addition we are spending every year large sums of money for dredging the channel between Montreal and Quebec. This work alone has entailed an expenditure of $6,500,000 during the last five years. There is very little dredging required at Churchill. Two dredges were assigned to the harbour at the outset, but it has been