

shipping, and one of two things seems the probable result; either that the rebate shall be done away with altogether, or that Americans will retaliate by charging tolls on all Canadian vessels and cargoes passing through the "Soo" Canal, which is now as free to us as to them.

I am personally of opinion that all the Canadian canals should be free from any charge whatsoever not only to our own shipping but to that of our neighbors.

It appears to me that the question of charging tolls on National Waterways is one far behind the age, and in concert only with that of charging a farmer toll for passing over a turnpike road, and ill in keeping with the broad-minded policy heretofore pursued by our Governments with regard to opening up Canada by rail and waterways.

A general opinion seems to prevail that the amount of every reduction of canal tolls passes directly to the pockets of the ship-owners. This is a mistake, as I can easily show by the statistics of the Erie canal, on which from 1870 to 1874 the average price paid for carrying a bushel of wheat from Buffalo to New York was 11 64-100 cents including tolls during that period of three and one-tenth cents per bushel.

For 1875-76 the charge was 7½ cents tolls 2 cents. During the years from 1877 to 1882 the rate was 6 43-100 cents with tolls one cent per bushel, while from 1883 to 1887, inclusive, the years since the canal was made free, the average freight rate was 4½ cents per bushel; the highest average for any one of the five years being 5 cents; the lowest 3 8-10 cents per bushel. No more convincing proof of the beneficial results of free canals can be furnished than the foregoing evidence.

WHEAT SHIPMENTS

During 1888 more grain was shipped from this port than for any year of its existence.

This was owing, of course, to the large increase of acreage in Manitoba and the Northwest, as well as the unprecedentedly good crop of 1887.

I am unable to give you reliable statistics of either the crop of 1887 or 1888 as no system is in vogue for collecting such information, and estimates of the crops and yield are very liable to be either over or under the exact amount as is shown by figures from time to time sent out by different institutions in the Northwest. Of course it is possible to get the exact shipments from here by water, but as these form only a portion of the whole, and not including amount required for seed for home consumption as flour, flour exports both east and west, as well as the large amount sent all rail, you can see how difficult the task would be to furnish anything like a correct statement.

The only practicable system would appear to be for the railways to furnish statements of the grain and flour going east of Port Arthur south of the boundary and to British Columbia, to which could be added an estimated quantity for home consumption and seed purposes.

In this way only would the statistics be reliable and of value to the country at large, and I think we should ask the co-operation of the Dominion and Manitoba Governments, the Canadian Pacific and other railways in order to secure the desired result.

TERMINAL ELEVATOR CAPACITY.

The elevators at the Lake Superior end of the western division are all under what is known as the Port Arthur inspection system.