It has been said that the port of Churchill can never handle a great deal of grain. To date I do not think there has been any year in which the port has handled much over 5 million bushels; in fact, it has only been for two or three years that 5 million bushels have been handled. But it is possible for the port to handle a great deal more, and I believe it will do so. Even the Minister of Trade and Commerce (Mr. Howe) has stated that. I just want to quote from *Hansard* of the second session of 1945, volume 1, page 1109, where the minister is reported as having stated:

In spite of the short season I think it may be possible to reach the objective of those who developed the route, which was a movement of 20,000,000 bushels of grain in the season. That does not sound much when compared with the movement through Port Arthur and Fort William or through Vancouver, but 20,000,000 bushels is a considerable movement for any port. Few ports on the continent have larger movements than that. Therefore I am not suggesting that the outlook for Churchill is hopeless; far from it. I feel that in post-war years the port will develop as far as its physical limitations will permit, and I can assure the house that the government will make every effort to see that that development is pressed actively and vigorously.

I submit that the passing of this bill would be one method of developing that port. It would mean that people living adjacent to the port would get the same advantage out of it. That is what they spent their money for. That is what the route was developed for, namely, to give some advantage to the people living in the west and more particularly, I believe, to those people in northern Manitoba and northern Saskatchewan who live adjacent to the port.

Right Hon. C. D. Howe (Minister of Trade and Commerce): I think, Mr. Speaker, that perhaps I should say a few words on this bill at the outset so that the debate may be kept within closer bounds than would otherwise be the case. I will say at once that no one is more anxious than I am to see the port of Churchill, and particularly the grain elevator in Churchill, succeed. I have a personal interest aside from the fact that I was minister of transport for a considerable period. Prior to that, when I was a private citizen living a happy life as a consulting engineer, I was responsible for the design and construction of the grain elevator at Churchill. I spent a good many weeks there in connection with that work. I have always had a great interest in the port. I am happy that the last two years have both been, I think, record years for the movement of wheat through Churchill.

I am afraid that making Churchill the basing point for wheat under the present Canadian Wheat Board Act would curtail the movement rather than otherwise, for reasons

## Canadian Wheat Board Act

that I will give in a moment or two. I think that the wheat board have handled the movement of wheat to Churchill with great skill. It is not an easy movement to control. Only certain grades can be handled by the port. They are grades that will make up into full cargoes; for unlike the situation at other ports in Canada, it is not possible to ship parcels of grain through the port of Churchill.

My hon. friend says that to make Churchill the basing point would give advantages to farmers within the area. I should like to remind him that, unless the advantages are actually earned, the advantages to the farmers within that area are paid for by farmers in other areas.

**Mr. Wright:** Is that not what happens in Alberta?

**Mr. Howe:** No. I think the Alberta situation carries itself.

Mr. Wright: It did not during the war.

Mr. Howe: Well, perhaps at times. But I would point out that the port of Vancouver is open for twelve months of the year. No excessive carrying charges are involved in shipping by that route. It is not a matter of selection, because all grain is marketable at Vancouver. The same thing is true of the Fort William route. Of course on the Fort William route in winter the haul is longer than in summer. The summer movements end at Montreal; whereas shipment in the winter months must be through Saint John or Halifax. But here again that route is open for shipment twelve months in the year, and any grade of grain is marketable on the eastern route.

As my hon. friend knows, Churchill is open for shipment about two and a half months in the year. For example, if today grain were shipped from, we will say, Hudson Bay junction to Churchill, it is true that the rate would be three to three and a half cents lower than the same shipment to Fort William; but that grain would necessarily remain in the elevator until September 1950. It would involve about eleven months of carrying charges which would involve an expense of fifteen cents or sixteen cents at least, perhaps a little more than that, on \$1.75 wheat. Under the present system that expense would be carried by other farmers. Obviously next September the grain would have charges against it greatly in excess of the price it would return when loaded on a ship.

In actual practice grain is not shipped into Churchill in October and November. Shipments to Churchill begin in about May or June, and the elevator is filled to capacity when the shipping season actually opens. However, it is filled with grain that has