

boat held up and be able to get freight for almost nothing. He wires the other that he has been offered so much and gets the reply 'I can give you a better rate.' You advise your man in Winnipeg. The market does not go to suit, and you go to the broker and if you can get a profit of one-eighth you ship, because you must have your wire in London by 5 o'clock in the afternoon, and to do that, you must send it by half past twelve. You cannot control grain rates. Detroit and Buffalo take about fifty per cent of our grain. In the fall of the year, owing to the fact that the American tonnage is not being in use, there is a competition in freight rates. That tonnage does not come out until June. It is owned by two or three large corporations, coal, oil, and steel. They go up to load iron. They get 40 cents a ton on their ore down. They load coal back at 30 cents a ton and this goes on through the summer months. The ore is brought down to supply the smelters in the East, and the coal is taken West. When the boats are through with the American business, they load up cargoes in Fort William and lay up in Buffalo, or carry one trip up and lay up. She gets the best rates she can. She is a huge craft, carrying 300,000 to 400,000 bushels of wheat. Very few of our boats are that size. The larger the boat the cheaper it will be able to carry freight. The larger the boat the cheaper the overhead expenses are. They get freight in the summer which we cannot get. We have not the coal to supply, and we have not the ore, and our boats wiggle along through the summer months and do the best they can. They load at Fort William at any price they can get. I have known boats to come down from Fort William light to carry package traffic up. If you impose a rate you surely impose on the West higher rates than they can get today, and you would destroy our export trade. It is only by little concessions here and there that rates are kept down, and those rates are made at a moment's notice: it is not tomorrow, they are made inside of an hour.

Mr. ARMSTRONG (Chairman).—If you were allowed to make as low a rate as you wish, but a maximum rate were fixed, would you have any objection to that?

Mr. RICHARDSON.—I do not know that even that could be introduced. Suppose you had a maximum rate, would you want to have that grain tied up all winter and have it sent to the coast at 12 cents a bushel instead of 8 cents? The Georgian Bay rate is about on an average one and five-eighths to one and three-quarters the whole season. In the spring they try to get two cents. They do not often get it. They get one and three-quarters on the first trip, and on the second trip one and a half if they are lucky, and then one and three-eighths. In the Fall of the year when the crop begins to come in the rate runs up sometimes to two and a half and even to three and a quarter, but these rates are for winter storage. The grain is taken to Midland and Port McNicol, or some other place until the dealer disposes of his cargo and sends it to Europe. Last year very little grain was shipped, all rail from Fort William East to St. John, Boston or New York. The year before there was a great deal shipped, because that year the crop was moist and damp and came off the fields very late and did not reach Fort William in time to take advantage of the lake rates, and the producer had to pay the extra rail rate. Last year, there was a lovely harvest; there was no interruption and the railroad furnished ample cars. No shipper had to hold his grain, and it simply poured into Fort William. The finances of the country were tight last Fall and shippers could get ordinary credit, but with the extraordinary delivery the ordinary credit was not sufficient, and they had to ship as fast as possible, and the ship owner got a higher rate.

Mr. MACLEAN, M.P.—The farmer complains that it was the worst year he had.

Mr. RICHARDSON.—The farmer had no reason to complain.

Mr. MACLEAN, M.P.—But he did complain.

Mr. RICHARDSON.—You cannot prevent the farmer from complaining. Look at it—his grain was one and two northern sample, hardly anything else. What was it the year before? It was frosted and Nos. 2, 3, 4, 5 and 6, and rejected.