

Mr. HENDERSON.—That would be quite possible and that would remove the objection which I have made, but I do not see what good the tariff would be.

Mr. CARROLL, M.P.—How does the Bill affect that particular kind of freight?

Mr. HENDERSON.—As far as I can see the Bill brings us under the Railway Commission, and the Railway Commission causes us to fix a tariff. I did not know the Railway Commission would allow you to put in a tariff ranging from one cent a hundred to \$5 a hundred.

Senator YOUNG.—You spoke of railway owned vessels? Do they carry much grain?

Mr. HENDERSON.—They carry some grain but very little. When I speak of lake and rail vessels, we are speaking of the C. P. R. and Grand Trunk boats. Well they carry comparatively little grain but they do carry some.

Senator YOUNG.—Do they meet your tariff when they carry grain?

Mr. HENDERSON.—I do not know but I presume they do.

Senator BOSTOCK.—They have no connection with your association?

Mr. HENDERSON.—No.

Senator BOSTOCK.—You spoke of their reducing their rate of 5 cents to three and a half cents. How did they do that?

Mr. HENDERSON.—I do not know.

Mr. MACLEAN, M.P.—Is the lake and rail service flexible?

Mr. HENDERSON.—It is absolutely flexible.

Mr. MACLEAN, M.P.—Then our Commission can provide the flexibility.

Mr. HENDERSON.—I cannot see the point exactly.

Mr. MACLEAN, M.P.—You say the lake and rail freight rate is flexible.

Mr. HENDERSON.—I do not think the lake and rail freight is flexible.

Mr. MACLEAN, M.P.—I thought you said it was.

Mr. HENDERSON.—Well the 'at-and-east' is not flexible except by giving notice.

Mr. MACLEAN, M.P.—What do you mean by that?

Mr. HENDERSON.—From Georgian Bay ports to the seaboard, but I desire to say that on that particular point I am not very conversant with it, and I think perhaps later on Mr. Richardson might make a statement.

Mr. NESBITT, M.P.—They were carrying it at 5 cents a while ago, and now at three and a quarter cents. It must have been flexible.

Mr. HENDERSON.—It took them some time to do it. They probably rested on their oars before they did that.

Senator WATSON.—I do not think the Commission would object to the lowering of rates.

Mr. HENDERSON.—By giving notice. I think you will find that it will mean a diversion of a great deal of our grain business over American routes, if we are going to work on a tariff, and the American lines are working without any tariff, because the Inter-State Commerce Commission do not assume any control over the bulk freighter.

Senator WATSON.—The western free trader is more interested in the rates than in the routes.

Mr. HENDERSON.—He might be more interested in the rates of freight than those in the east.

Senator WATSON.—He is more interested in the rates than he is in the routeing.

Mr. HENDERSON.—From the seaboard.

Senator WATSON.—No, from his farm to the seaboard.

Mr. HENDERSON.—Well possibly he is. That is quite right. The Canadian competition helps the farmer or the wheat grower to get cheaper rates than he would if