

*Supply—Transport*

movements from Canada to the United States. It is true there is some falling off in business in the carloadings from the United States to Canada, but when we study the situation we find that most of this falling off in business is on account of the marked decrease in the shipment of Canadian National Railways' coal by the ferry. We know that the greater part of the Canadian National Railways coal is now brought into Canada around the lake-head, necessitating a long haul rather than a direct haul to Cobourg through the ferry route. This would look to us as almost a discrimination by the Canadian National Railways against the Ontario Car Ferry Company. It is hard for us to believe that car for car it is cheaper to bring the coal by the long route rather than by the direct route across the ferry. I have been told that if the Canadian National Railways would import their coal in the same quantities as they did a few years ago the car ferry company could operate economically.

During the conference which we had in Montreal I asked the chairman in charge of finance this question: "Would the Ontario Car Ferry Company pay if both the Baltimore and Ohio and the Canadian National Railways made up their minds to make it pay?" He said: "Why certainly it would." I point out to you that, in my opinion, the two parent companies are not doing all they can to make this operation profitable.

The Canadian National Railways also point out that these boats are old; that they cannot be serviceable for very long. But I am informed on good authority that the hulls of these boats are in good shape; that the engines in No. 2 are quite satisfactory for some time, and that the boilers of *Ontario Car Ferry No. 2* could also be made serviceable with some major repairs, which would allow it to carry on for some time. It would at least allow it to carry on long enough to prove or disprove our claim that, with proper management, they could operate economically. As for *Ontario No. 1*, the older of the two, we do know that another company looked at this boat not long ago with a view of putting it into operation at some other point. If that be so, then one might reasonably conclude that even this boat is not in too bad condition.

As I said before, these boats performed a vital function during the war. While the possibility of war is perhaps remote, nevertheless it is a factor we should consider. I believe these boats are vitally important to the defence of the continent. It is my opinion that the Canadian National Railways should not discontinue their operation until it is proven beyond doubt that they cannot be operated economically.

The citizens of central Ontario would not expect the operation to continue if heavy deficits continued to pile up, provided they were sure the company was receiving sympathetic consideration from the Canadian National Railways. It is our opinion that this is not so at the moment. The views expressed by me this evening are not only my own, but as well those of the people in central Ontario. A meeting was held at Cobourg some weeks ago at which all the counties of central Ontario were represented, and it was our view that these ferries still perform a function that is vital to central Ontario.

The delegation also visited the United States. We know that in the United States there is sympathetic regard for the value of these boats, and that they are making every effort to induce the Baltimore and Ohio Railway Company to maintain this service.

My remarks are made in no spirit of biased criticism of the C.N.R., but with a hope of maintaining and continuing this service. I have a few suggestions to make which, if duly considered, will I believe do much toward making this a profitable operation. I suggest first that we have a young and energetic traffic manager, and that he be stationed at Cobourg where he would be in constant touch with the operation of the car ferry. I think it is important that he receive sympathetic support from senior officers of the Canadian National.

The town of Cobourg is prepared to offer the market building, located a short distance from the dock at which Ontario car ferries tie up, as a place where this traffic manager could carry on his operations. I believe he would be able to do a much better job if he were on duty there rather than operate by remote control from Montreal. In my view it would be a good thing if a committee of interested citizens of Canada and the United States were formed to assist the traffic manager in securing new business.

We in central Ontario did not know that a serious condition was developing in connection with the operation of these boats. Now that we have found it out we should have an opportunity to work with them to prove that the boats can be operated economically. I suggest that the C.N.R. should undertake to ship their full quota of coal by this route. We should expect 100 per cent support from the Canadian National. There should be a conference of all railroads affected to discuss rates and divisions of the railroads. For example, at the present time the Baltimore and Ohio are charging 55 cents per ton more on coal shipped by ferry than they are charging on coal being sent by self-unloaders to Canada.