

Hon. Mr. CASGRAIN—With regard to coastwise shipping, I do not see how the United States can possibly claim that shipping from New York to San Francisco, having to circumnavigate Mexico, a distance of several hundred miles, along the coast of a foreign country could possibly constitute, in the eyes of any fair tribunal, coastwise shipping.

Hon. Sir GEORGE W. ROSS—That is a fair point.

Hon. Mr. CASGRAIN—Then another point: The use of the Panama canal is a thing which will be of great advantage no doubt to British Columbia. At the present time railways are working that way, and easing their grades in that direction, either to go to Port Mann, Vancouver or Prince Rupert, but preferably to Vancouver and Port Mann. The grades have been made easy towards the Pacific coast in order to carry the grain, wheat and corn from as far eastward as the interior of the prairie, perhaps not exactly reaching Saskatchewan, but taking in a large portion of Alberta. That is not altogether new. Of course, people say that the Panama route would not be advantageous: That going so far south the wheat would have a tendency to spoil on account of the heat, the use of the canal is not an unmixed blessing. The rate of \$1.25, roughly speaking five shillings, is a large sum. We must remember that freight can be carried ten times further on the high seas for the same money that it can be carried on rails. Therefore the \$1.25 will carry a ton of freight a very long distance, so it is not all profit going through the canal. My impression has been until now that the toll on the Suez canal was four shillings per ton, but I have no doubt the leader of the opposition has it right when he says it is six shillings. It is a puzzle to me how freight can be carried from Bombay to London or Liverpool for twelve shillings per ton if half of the money must be paid in tolls. A ship carrying ten thousand tons would have to pay \$15,000 for going through the canal, and for \$15,000 you can take an ordinary freighter a great many thousand miles. When the toll is paid there is only

six shillings left for the profit of the ship and all expenses, including coal, which has to be carried to Bombay. It must be taken through the Suez canal or around by the Horn. Of course they do not pay the carriage on the coal, but it is expensive by the time you get it to Bombay. There is another thing to which I wish to refer: Count De Lesseps was a diplomat, and it shows the versatility of the French race when you find a man, who was not an engineer, accomplishing one of the greatest engineering feats ever undertaken. He obtained the concession for the building of the Suez canal while he was a Consul to Egypt. I have read an account of how he gained favour with the Khedive by his good horsemanship. The Khedive was surrounded by a very high barrier, and De Lesseps ascended him by jumping the barrier and dropping down before him, impressing the Khedive very much, as the Arabs do not jump their horses over obstacles. This feat of horsemanship contributes, as De Lesseps relates, to his being able to get the concession for the Suez canal.

We must not forget that in the United States there is an interstate commerce law which regulates the rate on railroads having no competition from the Atlantic to the Pacific. I remember a case that came before our own Railway Board in connection with freight which originated in Hamilton. It was canned goods put up in Hamilton and the Hamilton people wanted to obtain export rates in shipping those canned goods to Montreal. At Montreal they were put on a railway about 190 miles long to Tester line, and taken to Vera Cruz on the Gulf of Mexico, taken across the isthmus on a railway about 150 miles long to Tehuantepec bay, and then shipped by water again. The freight was so arranged that if the manufacturers in Hamilton could obtain an export rate they could afford to send it to Montreal, put it on ship there, send it to Vera Cruz, across the isthmus to Tehuantepec and up to Vancouver for a cheaper rate than the Canadian Pacific Railway Company would give from Hamilton to Vancouver, but the Canadian Pacific railway made a very strong case with the