

*Hudson Bay Railway*

46,000. And I repeat this fact again for I want hon. members to give it particular notice, that this port is seven hundred miles farther north than Port Nelson.

It has been asked, what effect would the operation of the Hudson Bay railway have upon our National railway system as a whole. It seems to me that when we consider that there is tributary to this route a vast area rich in undeveloped agricultural and mineral wealth, the completion of this railway cannot be other than beneficial to our national system of transportation. It is worthy of note that the tar sands alone in that northern country contain great potential wealth. I noticed in the newspaper quite recently that a sample of these tar sands was taken to the United States, and in competition with similar products from all other parts of the United States and Canada it carried off the first prize. We do not know what vast wealth we have in this country; we have only touched the fringe of it. We know, for instance, that it is very rich in oil. There is a great oil gusher in the Fort Norman district. For a short time after it was discovered the flow gradually decreased and it became evident that the well had been blocked up. It has since been opened up again and is now a strong flowing well, I understand. When a country so little explored shows such indications, what vast mineral wealth may there not be awaiting development? If this country is opened up and settled as its climatic conditions show it can be settled—because we are told the snowfall is much less there than around Winnipeg and the cold is no greater—I see no reason whatever why it should not be a rich traffic producer for the local railway, which in turn will enure to the advantage of our national system generally. Probably some hon. members will remember that some years ago the Canadian Pacific Railway directors strongly objected to railways being built from the United States into Canada. Those lines were completed, and I believe it is a fact that now the Canadian Pacific Railway Company find those railways are an advantage to them. May it not be so too with the Canadian National railways in relation to the completion and operation of the Hudson Bay railway?

I believe those living along the St. Lawrence river especially the people of the port of Montreal, where a great deal of our grain is handled, are somewhat perturbed over the development of this project because they believe it is going to injure their port. I am very doubtful indeed if the Hudson bay route will have any detrimental effect on the busi-

[Mr. Millar.]

ness of the port of Montreal. Its only effect, I am inclined to think, will be to draw traffic from the United States. Is it not strange that with the St. Lawrence route open to the sea 65 per cent of our Canadian grain passes through American channels? Why is it so? Let us look at this feature for a moment. In 1913 Canal Statistics, a government publication had this to say:

The rate Fort William to Buffalo and New York—

That is, New York by Buffalo.

—was 8.796 cents per bushel, the rate Fort William to Montreal at the same time was 6.341 cents per bushel, an advantage to Montreal of 2.455 cents, and yet ten times as much of our Canadian grain went through Buffalo to New York as passed through Montreal.

Why is that so? Is it not natural it should take the line of least resistance? I will tell you. At that time, and this is what usually happens under normal conditions, the grain flows to New York because there is greater space in the boats from New York to Liverpool than in the boats from Montreal to Liverpool. At times the advantage in the ocean rate is sufficient to overcome that amount of 2.455 cents, and that is the reason that our grain passes through American channels. This is the point I wish to make. Just a very slight advantage, that difference of less than three cents, is sufficient to call to American ports 65 per cent of our Canadian grain at the present time. Now, though it is impossible to say exactly what will be gained by opening up the Hudson bay route, is it not possible that the advantage will be sufficient to draw that traffic from the United States? If we can save four cents it can be done, and the greater part of 65 per cent of our Canadian grain that passes through American channels to-day will be drawn to the Hudson bay.

I am quite convinced that Montreal will always be a live port, but there is this disadvantage at the present time. The Farm and Ranch Review pointed out some little time ago that there was danger of over-production. It gave the acreage of western Canada particularly, and pointed out that if we had a reasonable crop in any one year, with no large tracts being dried up or otherwise injured, we would have a crop and an exportable surplus that no country in the world had ever produced, that could not be consumed by Europe, and could not be handled by our present outlets. They would be glutted, and that would be disastrous. That may or may not be so, but I am convinced that with a fair chance the western provinces are going to produce much more grain than they have in the past, and you know what took place last year, that whereas grain was carried the year previous for 2½ cents a bushel, last year