

may be able to adduce some that have already been advanced in this House from time to time, as well as some that are being advanced by leading men who are conversant with the transportation question as it is to-day. I trust that the government in dealing with this subject will be guided by the experience of other countries, adopting those principles which have led to success and endeavouring to avoid those which lead to failure. There is one country with which Canada can and ought to make a comparison—that country which is our nearest neighbour geographically and many of whose conditions are similar to those that prevail here. What has been the system of transportation between east and west as carried on by the people of the United States for the last twenty-five years? When the question of transportation is discussed in this country or in the United States it embraces as a first and foremost question the movement of grain from the west to the east. In that question we in the Dominion of Canada are most particularly interested. Years ago the people of the United States recognized in their country a condition of affairs exactly similar to that which prevails in the Dominion to-day, viz.: that the western part would be the grain growing area, and that for that reason means of communication must be opened up from the west to the east. This was the first principle. There was another, which the government and people in the United States early recognized, and that was that competing ways by water and rail must be provided. We find that more than fifty years ago the people of the United States were directing their energies to securing water communication from the upper lakes to the sea-board. In the Erie canal we find their first waterway to compete with the railway—and this is an extensive system of competition to-day. I desire to quote a few figures—and I shall make them as few as possible, because I know that figures are wearisome—to show the effect of this policy of the United States in opening competing routes of communication by water and by rail. Taking the development by decades I find that the receipts of grain at Buffalo were as follows:

	Bushels.
1846..	6,500,000
1856..	20,000,000
1866..	52,000,000
1876..	46,000,000
1886..	72,000,000
1896..	163,000,000

This proves that the system adopted by these people, the so-called American system, has been a most successful one in promoting trade from the west to the east. That trade has been based upon a recognition of the fact that carriage by water is the cheapest carriage, and that carriage in the largest vessels suitable to the conditions is the cheapest water carriage. The system has gone on developing year after year, resulting in

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this, that to-day vessels capable of carrying 300,000 bushels of grain load at the ports of Lake Superior and Lake Michigan, are hurried with the greatest speed to Buffalo and there transfer to elevators. The grain is transferred from the elevators to vessels, barges or railway cars, which are sent forward as rapidly as possible to the Atlantic coast. The receipts of grain at Buffalo last year were stupendous, amounting to no less than 140,138,822 bushels of grain. And I regret to say that of that quantity about 9,000,000 or 10,000,000 bushels was grain drawn from the Canadian Northwest which had been shipped from the ports of Port Arthur or Fort William.

Now, what has been the Canadian system in the past twenty-five or thirty years? A long time ago the essential fact of the need for the utilization of our waterways was seized upon. And so the Welland canal system was taken in hand by the government of the day, and what was known as the St. Lawrence and Welland canal system was made a practical success. Year by year that route has been improved, the policy of deepening the Welland canal having been approved by all parties, I believe, without any considerable adverse comment. The result is that, after an expenditure of \$70,000,000, we have a system of waterways from the head of the lakes to Montreal and so on to Quebec, and from there direct to Liverpool. But, while progressing in the matter of waterways, the people of Canada have not failed to emulate and imitate those of the United States in the development of rail transportation as well. Some twenty-five years ago there was established at the Port of Midland—the terminus of what was known as the Midland Railway, now a divisional part of the Grand Trunk system—a very capable grain elevator, having a capacity of over 750,000 bushels. And while the Midland railway had no direct communication with Portland or Montreal, yet by transference to the Grand Trunk they succeeded in building up a very considerable trade. To show what may be done in the way of carrying American grain through Canadian channels, I may mention the fact that for the first few years the elevator to which I have just referred handled almost exclusively American grain, because at that time there was no considerable quantity of grain being brought out of the Canadian Northwest. It was seen by the government of the day, as well as by others, that there would be a large development in the Northwest Territories, that these fertile areas would be a great grain producing country. And so we find that in 1885 the government, then headed by Sir John Macdonald, undertook the construction of locks at Sault Ste. Marie at a cost of a million and a half dollars, locks which are to-day the pride and admiration of the people of Canada, and I may say of the whole world. The result was to make us entirely independent of the