

We have a rather peculiar system of transportation to and from Prince Edward Island. I do not think such an anomalous system would be established if we had to establish it to-day. It grew up little by little from the time of confederation. The Railway Department owns and operates some 1,500 miles of railway on one side of the Straits, on the mainland and some 270 miles on the other side on the Island. The Marine and Fisheries Department own and operate a ferry service during the winter season, when the service is most difficult and least profitable. The steam navigation company owns and operates a ferry service during the summer when it is least expensive and most profitable and does the work well. Two departments of the government and a private company are called in to do this work; it is a tripartite system. If we were about to establish a system I am sure that we would not adopt that plan to-day. No board of business men having to control and operate a railway on both sides of the straits and having to maintain the ferry—because that is in the terms of confederation—would continue the present system any longer than they could possibly avoid it. If the Canadian Pacific Railway or the Grand Trunk Railway or the Canadian Northern were placed in such a position and had to maintain the ferry service according to their charter, I am quite satisfied that if they maintained and operated it in the winter, they would also maintain and operate it in the summer, and the reasons which would lead a railway corporation to do that would certainly, in my judgment, be sufficient to cause the government to do it.

Another reason is that the Marine and Fisheries Department is not, and never will be a carrying or transportation department; that is not its business. On the other hand the Railway Department was established for that very purpose, is pre-eminently a carrying department and is in a better position to carry on that business than any other department of the government service. If one department of the government service maintained and operated this ferry service throughout the year, it would simplify matters greatly. For instance, the captains and crews could be transferred immediately from one set of boats to the other, there would be no interregnum and no delay. As it is now the Marine Department has to keep its captains and principal officers on hand while the boats of the Steam Navigation Company are in service, in order to have them when its boats resume, and the Steam Navigation Company has also to maintain its staff during the winter. This necessarily means increased cost which the country or the business men in the end have to pay.

Again there is the very serious disadvantage that it is now practically impossible in

shipping between the mainland and Prince Edward Island points to obtain through bills of lading from the point of origin to the point of destination, and to know in advance exactly what the freight will be. There are nearly always more or less back charges and that hampers business and is very annoying. Again it is almost impossible in case of loss or damage to goods in transit, to fix responsibility upon either department or upon the company, as they throw the blame one upon the other so that business men who have had experience, having found it nearly impossible to obtain redress, would rather not take up a claim, unless it is a large one, owing to the difficulty and delay in securing an adjustment. If one department of the government service had charge of the whole transportation system there, this serious difficulty would be obviated and we would like to see this under the Railway Department.

Freight rates are much higher to and from the island than they are in other sections of the country, sometimes more than double, and under present conditions we find it very difficult to compete with more favoured shippers. We feel that simply because we are an island we should not be treated in that way. We contribute our share towards the upbuilding of the transportation facilities of the whole country, towards the upbuilding of the great ocean ports on the Atlantic and on the Pacific and yet when we come to use these transportation facilities and ports we have to pay more than any other persons in the Dominion of Canada. As a matter of fact the business men of the maritime provinces, of New Brunswick and Nova Scotia, who know the conditions, when they have come together and considered this matter, have expressed as strong views on it as we do on the island. Perhaps I could not do better than read the resolution of the maritime board of trade, passed at its thirteenth meeting in the city of St. John last summer in regard to this matter. As I have said, these are men who know the conditions exactly and who certainly have no reason, beyond the desire to see fair-play to all Canadians, to express an opinion. The resolution is as follows:

Whereas the trade of Prince Edward Island has been seriously handicapped for many years past, owing to the difficulties of navigation and the excessive freight rates demanded by reason of three short-haul freight rates between points on Prince Edward Island and points on the mainland;

And whereas, the freight rates prevailing to and from Prince Edward Island are altogether disproportionate with those prevailing from Montreal eastward, as will be seen from the following:

From Montreal to St. John, 9 cents per 100 pounds, plus 1½ cents for elevation; distance, 735 miles.

From Montreal to Halifax, 9 cents per 100 pounds, plus 1½ cents; distance, 832 miles.

Mr. J. J. HUGHES.