

asked in all fairness to reduce that rate or to reduce our revenue per car hauled below what has already been arranged with the department on a car of 10,000 lbs.

THE CHAIRMAN: The Superintendent of Fisheries, Mr. Found, would like to ask you a question.

*By Mr. Found:*

Q. I have in mind a statement you made a moment ago that this rate on fish is as low as any rate that prevails anywhere on the continent per car mile?—A. Excuse me, I did not say that.

Q. What did you say?—A. I did not say per express car mile at all.

Q. What I had in mind was the rate prevailing say, from Prince Rupert to Montreal, or from Prince Rupert to Boston as compared with the rate from Mulgrave to Toronto according to the distances. A. Well, Mr. Chairman, I am glad to know that Mr. Found has given me the opportunity to explain to this Committee something about the rate from Prince Rupert which is pertinent to the inquiry, and which is something that the Committee ought to know. In the first place the principal fish caught on the Pacific coast which is forwarded by express to the east consists of halibut. There is some salmon, but it is in comparatively small quantities. The first movement of halibut from the Pacific coast to the Atlantic seaboard took place by freight train service over the Northern Pacific Railway and the Great Northern Railway some years ago. I do not know what the time in transit was, but probably it was from eight to ten days. That was subsequently followed by the movement by express. When the Great Northern Railway Company first established that freight service they carried their cars as far as St. Paul on passenger trains. That was the terminus of their railway. Beyond that the cars were carried, I believe, on freight trains. But for that combination service, partly passenger train service and partly freight train service, they established a rate of \$3 per hundred lbs. from Seattle to New York by way of St. Paul through Chicago. The rate so established became the basis for express rates by all other express companies operating from Seattle to New York ever since. At a later period the fish industry developed on the Pacific Canadian coast. It was necessary in the interest of the fish dealers at Vancouver and their backers who were willing to invest considerable money in the fishing plant that they should be assured that wherever they wanted to ship halibut caught in Canadian waters from Vancouver to New York they would not have to pay a higher express rate than was then being charged to their competitors operating from Seattle, notwithstanding the fact that the mileage from Vancouver to New York through Chicago and St. Paul was very considerably longer than the mileage from Seattle to New York. So, in that way, the same \$3 rate came to be established from Vancouver as was formerly put into effect from Seattle. That ran along for some years until the completion of the Grand Trunk Pacific to Prince Rupert. When the express company commenced its operations in connection with the fish traffic from Prince Rupert we had precisely the same question confronting us at this later period that confronted the Dominion Express at Vancouver at an earlier period. We wished to have some large fish dealers establish a fish industry at Prince Rupert. We wanted them to go there and invest their money in a plant and it was necessary, therefore, as it had been in the other instance referred to, that we should give them assurance that the rate from Prince Rupert to New York should not exceed what was charged their competitors from Vancouver and Seattle, notwithstanding the fact that the mileage from Prince Rupert was several hundred miles longer than that from Vancouver, and several hundred miles farther again than the mileage from Seattle. So that it is all competition that produces this rate and which makes it necessary in shipping fish from Prince Rupert for the railway company to meet that competition. Now I have given you that information in order to explain the origin of that rate and because it is necessary to show that in one case mileage is not the prevailing factor in determining the express rates.

MR. JOHN PULLEN.