

cents, Mr. Payne for the opening of that season puts these rates at 6 cents and 2.75 cents respectively.

One of the closing paragraphs of the Chairman's extracts from the report is fair to the lake carrier in pointing out that although a rate of 1½ cents would be very profitable if the vessel could have full cargoes throughout the whole season, yet nevertheless if the traffic has to be crowded into eight trips out of the fifteen, the boat should make a much higher freight charge. It also rightly enough claims that vessels should be loaded with despatch, and the running expense of \$250 a day should be made available for grain moving, and not lost lying idle in port.

The Report in question may deserve careful examination, but it is submitted that the extracts quoted by Mr. Armstrong will prove to any careful reader to be quite valueless in support of his contention that there is any cause of complaint against the carrier of grain on the Lakes.

(3) Mr. Armstrong apparently doubts the contention that the bulk freighter is not a common carrier. May I submit the following definition from Hutchinson on Carriers, 3rd edition, section 27:—

'A common carrier is one who undertakes as a business for hire or reward to carry from one place to another the goods of all persons who may apply for such carriage, provided the goods be of the kind which he professes to carry, and the person so applying will agree to have them carried under the lawful terms prescribed by the carrier; and who if he refuses to carry such goods for those who are willing to comply with his terms becomes liable to an action by the aggrieved party for such refusal.'

'If goods are carried under a charter party giving to the hirer the whole capacity of the ship the owner is not a common carrier, but a private carrier for hire.'

Lamb vs. Parkman.

1 Sprague 343.

(4) Mr. Armstrong refers to Mr. Henderson's statement that the lake rates increased 20 per cent in 1913. I am not sure whether 1912 is meant, but the only fair way to refer to the rate and its changes is to examine its fluctuations over a considerable period, clearly shown in the statement we have filed with the committee covering a period from 1905 to date. The rate in 1914 is away down again.

(5) If the cost of improvements made by the Government in Canadian waterways and ports were for the benefit of certain established lines of boats, and for them only, the case might be parallel to a bonused railway. But the contrary is true. The expenditure was for the people of Canada and for the benefit of any one, even a foreigner, who might care to operate a vessel through the improved channels. There is no franchise and no monopoly.

(6) The railway does enjoy a franchise or monopoly on the road it uses and which the Government helped to build.

It operates between definite points on definite schedules on a fixed roadway.

It does not necessarily tie up a whole train and a train crew in taking on or unloading freight, and in any event it does not as a rule carry freight and passengers on the same trains, although it may so carry express traffic.

It is not subject to marine risks and does not pay from 5 per cent to 8 per cent for insurance against them.

Railway traffic does not include the infinite variety of classes of Carriers to be found among the vessels trading in any one district, which will include everything from a large vessel to a gasoline launch, from a steamer to an old-fashioned sailing craft, and from a long distance Carrier merely passing through the district to a vessel whose trade is confined to a very limited area.