

business would be to fabricate our wheat into flour in this country and export the flour rather than the wheat.

Q. We admit that is the proper thing to do, but you see if there is a spread of 7 cents, it is a pretty hard thing. That movement, that ideal position is penalized to the extent of 7 cents on the value. That is a thing that has been a sore spot for years, and every now and again we are able to get concessions, but 7 cents looks very bad.—A. What is your opinion on it? What do you think we ought to do, having regard to the position of the Merchant Marine and the farmer, and for the welfare of all? What is your idea?

Q. I would certainly like to see a spread very much smaller. I admit you have to have some spread, flour is harder to load and is subject to contamination, and is not as easily carried.—A. Could we lay down this axiom, that the spread should only represent the difference, having regard to all the circumstances, in handling?

Sir HENRY DRAYTON: That depends so much on different conditions; I suppose 7 cents to-day would be looked on in some places as absolutely necessary.

Hon. Mr. GRAHAM: How would that affect the farmer? I get the point, that we retain in this country all the shorts and byproducts.

Sir HENRY DRAYTON: That is what the farmer is interested in, and the dairying industry is very vitally interested also.

Hon. Mr. GRAHAM: Would the farmer, then, have the price of wheat affected in any way?

Sir HENRY DRAYTON: It is possible. The idea is not to advance the price of the carriage of grain merely to make a smaller spread. In other words, you cannot affect the price of wheat in Liverpool, which depends entirely upon the question of consumption and supply, by changing the form of supply; you cannot do it.

*By Mr. Harris:*

Q. I would like to ask two or three questions now. What is the time consumed in hauling cattle from Winnipeg to Montreal?—A. I should think that would average—I will have that looked up.

Q. Will you, at the same time, look up the figures for the hauling of cattle to Quebec?—A. You want the average time taken to haul cattle from Winnipeg to Montreal and Quebec?

Q. Yes, and the time consumed in taking cattle down the river from Montreal to Quebec?—A. By rail?

Q. No; you take them down by water when you load from Montreal. The point is this, that there is a very heavy shrinkage in handling cattle, especially after a certain number of days. I was trying to arrive at some conclusion as to whether a study was being made of the possibility of handling cattle from Quebec. If it is absolutely necessary to have the cargo, as you intimate it is, perhaps it is not within the realm of possibility that Quebec can be used for that particular purpose. Is it or is it not within the realm of possibility that a full cargo could be made up at Quebec with the present type of steamers you have on the service now?—A. I think the answer would be no, that you cannot make up a full cargo at Quebec, because the vessels have to come to Montreal for general cargo purposes.

Q. The cattle boats upon the Atlantic transport do not carry any general cargo, do they? They are purely cattle boats?—A. I think so.

Q. If you had cattle boats on the service, which were doing nothing else but carrying cattle, would it then be feasible to export from Montreal?—A. I do not believe there would be any money in building vessels exclusively for the purpose of carrying cattle, because then you would certainly limit, very largely, your cargo to an eastbound movement.

[Sir Henry Thornton.]