

It is no surprise to me to find such general opposition to the Bill from all parts of the country. This opposition has come not only from private companies, but also from public bodies. I am astonished that in the face of this general opposition the Government should insist on the passage of the Bill.

Under the Bill the Minister of Transport seeks power to control shipping rates. In this connection I may be permitted to give one or two examples of regulation of harbour tolls and wharfage rates. The harbour of Montreal, in common with our other national harbours, has a tariff of tolls, which is approved by the Governor in Council. This tariff is revised annually, and covers every kind of merchandise. In 1932 a prominent citizen of Montreal, a member of the Shipping Federation of Canada, told the Harbour Commissioners that if they would reduce by a few cents the tolls on manganese ore, he would be able to divert to Montreal the immense traffic which at that time was going through the port of New York.

Hon. Mr. DUFF: Were those the freight or the wharfage rates?

Hon. Mr. RAINVILLE: The wharfage rates. I was a member of the Harbour Board. We applied to the Minister here for permission to change our tariff. I believe application to the Minister would be more expeditious than the method of applying to the Railway Commission, as provided by this Bill. Three months elapsed before we received an answer from Ottawa refusing our request, and we lost the business.

Hon. Mr. DUFF: Hear, hear.

Hon. Mr. RAINVILLE: In 1932 Sir Alexander Gibb made a survey of our national ports. In his report he stresses the importance of flexibility in fixing tolls and freight rates. Allow me to quote from his report:

156. In the busy years of 1926, 1927 and 1928, delays were experienced by all classes of transport, except liners. At that time the delays to lake boats alone were estimated to cost one cent per bushel of grain, that is to say, 10 per cent to 15 per cent of the total freight rate to Montreal.

In the last three years delays have not fallen on the ocean shipping or railways so much as on the lake boats. Actually, during the 1931 season the daily average number of canal boats tied up in the harbour, with full cargoes, was 35; the average time spent by each boat before unloading started was 12 days; and at one time the delay amounted to over 60 days.

158. Profits in the lake freighter business depend on the number of journeys that can be secured in the comparatively short season. In ordinary circumstances the round voyage from head of lakes to Montreal and back probably takes about 15 days, and the number of voyages that a lake freighter might make in a good

season would be about 15. At the extremely low rates that prevailed throughout 1931, it is probable that expenses could barely be earned even with the minimum of delay at either end; and delays such as have been regularly experienced at Montreal must cripple the profitable working of the lake traffic. In the interests of the Canadian lake shipping, as well as the whole trade therefore, any avenue that might lead to the improvement of the position should be carefully explored.

160. The real difficulty, so far as the lake and canal fleet is concerned, is that it is far in excess of present requirements. About 40 vessels could easily have carried the 70,000,000 bushels that came down by water in 1929, whereas there were more than four times that number engaged. In 1930, practically the same amount of canal tonnage was operating into Montreal as in the peak year of 1928.

Since Sir Alexander Gibb made his report all the charges of the port of Montreal and the other national ports have been virtually doubled. We had built up for the port of Montreal a very considerable trade in molasses. Recently a man has been giving to the local papers interviews in which he says that on account of the greatly increased port and shipping rates he will be obliged to take his business to the port of Albany. If we had flexibility in fixing our rates we could retain that trade for the port of Montreal.

The honourable senator from Vancouver (Hon. Mr. McRae) put his finger on the real trouble in the lake shipping business: there are too many boats. His good judgment is confirmed by Sir Alexander Gibb's opinion which I have already quoted. As will be observed, Sir Alexander Gibb has never suggested the adoption of the principle embodied in this Bill to solve the problem of our boats. In 1932 the shipping companies were complaining of delay. What could have been done to meet that situation? In my view there was only one remedy: to increase the grain elevator capacity at the port of call of ocean navigation. For ten years we have asked for that increased grain storage, and we have been supported by all the public bodies in Montreal and by the ports of Saint John, Halifax and Quebec, but we have not yet been able to get any satisfaction from the Government.

Some honourable members apparently believe that by raising the shipping rates on the Great Lakes we should be helping the railways. To the uninitiated this may seem good enough, but we know that it does not apply to conditions in Canada. Canada is not Holland or Italy. Canada is an enormous country, extending for 4,000 miles from the Pacific to the Atlantic, and with only a small population. We have two transcontinental railways and the most wonderful inland water-