

SHIPPING MATTERS.

The Allan Line & St. John.

On Dec. 2, to inaugurate the adoption by the Allan S.S. Line of St. John, N.B., as a winter port, the Company entertained a number of St. John's prominent citizens at luncheon on the S.S. Parisian. Hugh A. Allan, who presided, in proposing St. John & Maritime ports, made an important speech as follows:

It is a great pleasure to me to meet you here to-day, as it has been the wish of the Allans on both sides of the Atlantic, who are connected with the active management of the business, to have a closer connection with the Maritime Provinces for sometime past. It is a great surprise to me to see the wonderful development in the port of St. John during the last two years, & I feel sure that no one could help being struck with the amount of energy that is shown as a result of the work that has been done in that time. Your terminal facilities here reflect the greatest credit both on the municipal authorities of the city & the management of the C.P.R. The enlargement of the elevator, the dredging of the basins, the extension of the wharves, & the enlargement of the yards, not only at Carleton but also outside the city, & the increased accommodation in sidings along the route, make it possible to accommodate successfully a very much larger business than heretofore; & all these improvements, I feel sure, will enable the C.P.R. to accommodate all the traffic offering, even in such a prosperous season as this is likely to be.

Of course it will not do to stop content with what has already been achieved. In order to compete with other ports, improvements of every kind must be pushed to a completion, & amongst the most important of these are the lighting & buoying of the approach to the harbor, & the dredging of the harbor itself. Everything that the work of man, aided by the most modern improvements, can accomplish must be done in this connection in order to make this port not only equal to those south of us—for that I am sure is not what we wish to accomplish—but to make it better than any of them. No doubt your Board of Trade will see that the Government does its share.

Your railways have done a great deal, but they stand in the position of the philanthropist who builds an institution & who generally finds it necessary to endow it. Your railway companies have not only to invest their capital in building their road to, & terminals at this port, but they must endow it to the extent of carrying the traffic to & from the port at rates which will enable exporters & importers to compete at least on equal terms with those doing business at other cities on the Atlantic seaboard. For I need not tell you that steamers will go to the ports at which they can make the most advantageous arrangements, & if the railways to this port are not able to compete with their rivals at Portland, Boston, New York & Philadelphia, you will not be able to get satisfactory steamship connections to come here.

The line I represent was founded by Capt. Alex. Allan in 1825, & at that time consisted of the brig Favorite. In 1855 the Government made a contract with my uncle, the late Sir Hugh Allan, for a fortnightly line, the subsidy agreed upon being \$120,000, & the service was opened in April, 1856, the first steamer to carry the mails being the North American. In 1858 the service was increased to a weekly line, & the subsidy paid was advanced to \$208,000 a year, & subsequently further increased to \$416,000 a year. In 1872, the fleet having been considerably increased by such steamers as the North Britain, Nova Scotian, Bohemian, Hungarian, Norwegian, Hibernian, Peruvian & Moravian, a contract was entered into with the Newfoundland Government for the carriage

of the mails between Great Britain and St. John's, Nfld. This contract has been carried on ever since, & is still being maintained by us, the steamers employed in the trade having their terminal port on this side of the Atlantic at Philadelphia.

The contract for the carriage of the mails between Great Britain & Canada was altered from time to time, but remained always in our hands—latterly in conjunction with the Dominion Line—up to the close of navigation 1897. At that time the Government gave the tender to the Beaver Line, which has carried the mails for the last 12 months. The Dominion Line & ourselves have again taken up the mail contract for a period of 6 months, or until May 1 next, & this has given us the opportunity we have so long desired of establishing closer connections with the Maritime Provinces. As our line has grown we have been obliged to find outlets at U.S. ports from time to time. In 1880 we established an office in Boston, Mass. Later on the Philadelphia service was inaugurated, & finally an opening was found in the New York trade to Glasgow.

For 10 years or more the Canadian Government have been asking for an improved mail service, & during that time we have stood up in competition with the world & have retained the contract, except for the 12 months just past. During these 10 years we have put in tenders or have discussed the terms of contracts for vessels varying in speed from 15 to 20 knots, but none of our tenders or offers have been accepted. It seems to have been the desire of the different Governments to make contracts for lesser subsidies than we have been able to accept, & we think that on looking back the stand we have taken has been justified by the result. After years of waiting for a decision in this matter, we last year determined to make some additions to our fleet, which have been delayed so long pending the adoption of some decided policy with regard to the mail contract. Consequently we have given orders for 5 new steamers—one of 8,800 tons & 14 knots speed, two of 10,000 tons & 15 knots speed, to be used either in the Liverpool-Montreal passenger trade or on the New York service, & two cargo steamers of 8,000 tons & 12 knots speed for the St. Lawrence service. Of these, the Castilian is already launched; the Bavarian, 10,000 tons, is contracted for delivery in May. The Tunisian, 10,000 tons, is promised for Aug. & the Sicilian & Corinthian, the 2 cargo steamers, will probably be ready by the end of next St. Lawrence season. With these additions to our fleet we can, without at all encroaching on our other services, arrange for a permanent connection with the Maritime Provinces.

No one who has been in the trade during a period of years & has seen the ups & downs & the difficulties to be contended with in this trade will venture on a scheme of such magnitude & requiring such an investment of capital as a fast service to the St. Lawrence, without securing for himself & his associates adequate remuneration to enable him to carry the enterprise to a successful issue. The fact that all these years no one of substance has come forward to carry out such an undertaking, has, I maintain, proved that our judgment has been sound, & that our stipulation for an adequate subsidy, which has been considered excessive, is in reality not so.

I yield to no one in my opinion of the capabilities of the St. Lawrence. With the developments that are taking place in the deepening of the canals, in the improvement of the harbor at Montreal, & in the increased railway connections to that port, I see possibilities for its future which were not dreamt of even a few years ago. These canals, when complete, will enable vessels drawing nearly 14 ft. to bring cargoes from the west down to Montreal, & thus put that port in a position to compete on favorable terms with the ports of New York, Philadelphia & Newport News.

In addition to these, however, the opening up of the Parry Sound route has increased shipment from the port of Montreal enormously, & these can still further be increased if the Canada Atlantic Ry. secures an entry into the port of Montreal or a direct connection with the Intercolonial Ry. to that port. You may judge of the vast benefit of this route by the facts which I shall allude to later on.

The Canada Atlantic Ry. has brought to Montreal this season, the first year in which they have been doing business, between eight & ten million bushels of grain, & about 46,000 tons of package freight. Such a connection is invaluable, & there is no reason why the port of St. John in the winter should not, to a large extent at any rate, reap the benefit of this connection, if the facilities for getting into Montreal are accorded to Mr. Booth's railway. In addition to their large elevators at Depot Harbor & Coteau, they will undoubtedly erect a large elevator at Montreal, & these would all serve as storage for grain, which would be exported by the maritime ports in winter, & would thereby increase the traffic over these routes to an enormous extent.

Glancing at the map of Canada, we see that there are 3 main arteries for the carriage of western wheat to the east, viz.: the G.T.R., the C.P.R., & the Canada Atlantic. Turning to the two latter lines of railways referred to by me, viz., the C.P.R. & the C.A.R., the interest of these two roads lies in the development of the maritime ports. The C.P.R. has a direct connection with St. John & Halifax. The C.A.R. may also be given a direct connection with these ports by means of the I.C.R. The C.A.R. takes its enormous freight from the wheat fields of the western states, as also other products, which must necessarily find their way to the eastern markets in the winter months.

Via maritime ports navigation on the lakes is open at least for a month longer than the St. Lawrence route. Wheat & other freight can be landed at Parry Sound by water, for a month or more after navigation has closed at Montreal. This, with a proper elevator system would enable the C.A.R. to store at Parry Sound & other points along its lines, enormous quantities of grain, which, with proper connections to the lower provinces, would find their way to the markets of the east via maritime ports. This would be a trade in excess of what is now coming to the maritime ports via the C.P.R. The freight carried by the C.A.R. this summer was diverted from Buffalo & went to Montreal. What it has done in the last 12 months for Montreal may, in perhaps a lesser degree, easily be done for St. John & Halifax. It is for the people of the lower provinces to be alive to their own interests, & to encourage by every means possible, the building up of their ports. They should be able during the winter months to control the greater part of the Canadian freight & a large proportion of the freight originating in the western states carried by the Canadian lines.

At the same time, in considering the question of the fast mail service, it must be remembered that Montreal port is only open for 7 months of the year, & that a contractor undertaking a fast service must look for connections elsewhere for the other 5 months, & in getting these connections he must guard against the competition of all ports to the south of him in winter, just as he has to guard against them at Montreal in summer. It is, therefore, necessary that the railway connections to the Canadian winter port should be in a position to offer an intending contractor terms for the conveyance of both export & import cargo at rates equal to those obtainable at the other Atlantic seaboard ports. With such an arrangement in hand, I would be glad to go to the Government & ask for a tender for a service of 16-knot steamers, which I believe is the speed which Canada is