

## Proposed Government Control of Lake Freight Rates.

Some reference was made in Canadian Railway and Marine World for June to the proceedings of the House of Commons committee, which is dealing with the revision of the Railway Act, especially regarding the clause which gives the Board of Railway Commissioners jurisdiction over the rate for traffic carried by any railway company by sea or by inland water, between places in Canada, so far as deemed applicable by the board, and which clause it was proposed to amend by making it apply to all freight traffic carried by any carrier by water between places in Canada. This amendment was strongly opposed by Francis King, M.A., Counsel for the Dominion Marine Association, as well as by various boards of trade and chambers of commerce and others throughout the provinces chiefly affected.

Mr. King outlined the opposition to the amendment proposed, and reviewed to some extent the opposition made to similar proposals in 1914 and 1915. He emphasized the point that the opposition was to the amendment only, and not to the general clause as it has stood for several years in the Railway Act, and confuted the suggestion made by a member of the committee that the questions dealing with the vessel traffic and railway traffic were analogous. So far as traffic on vessels operated in connection with railways was concerned, the association had no objection to it being under the board's jurisdiction. In the case of a railway, it enjoys a 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 train crew in taking on and unloading freight, and in any event it does not as a rule carry freight and passengers on the same train, although it may so carry express traffic, and it is not subject to marine risks, with insurance against them. Railway traffic does not include the infinite variety of classes of carriers to be found amongst the vessels trading in any one district, which includes everything from a large vessel to a gasoline launch, and it is not subject to variations in carrying capacity due to fluctuations in the available draught of water. Freedom from control of rates as suggested is of itself a remedy for high rates or a monopoly, as it ensures the freedom of absolute competition, not only between boats now on the lakes, but also as a factor in the control of railway rates. Under present conditions the lake carrying companies are working under tremendous difficulties, a large amount of tonnage having been removed from the lakes to the ocean, and rates increase when vessel capacity goes down. From time to time it has been suggested that the coasting laws be abrogated, thus allowing U.S. vessels to compete with Canadian vessels on their own ground. The Dominion Marine Association has consistently opposed this course, but if a reciprocal abrogation were arranged Canadian vessels then could join in the larger traffic on the other side, coal up and ore down. The association has no agreement or understanding amongst its members regarding the regulation of tolls or traffic. A number of years ago some such agreement was made, but it was realized

that a mistake was made, and it was entirely outside the constitution and should never have been attempted. There is no arrangement with any U.S. marine associations or any shipping organization regarding rates, and there never was such an arrangement. The members of the association could be described as common carriers and carriers, as it is contended that so far as the bulk freighters are concerned, they are not common carriers, who are supposed to take whatever is delivered on the dock and carry for the public in the ordinary way as a railway does. He contended that the act as it stands at present should remain in force, so far as the clause under discussion is concerned, that is, that the vessels which carry in connection with the railway companies should come definitely under the board's jurisdiction, in accordance with the words of the statute, but it is not necessary nor desirable to go further. So far as the U.S. is concerned, bulk freight carriers on the Great Lakes are not under the jurisdiction of the Interstate Commerce Commission, but package freight vessels operated in connection with the railway companies were included in the Interstate Commerce Act when it became law. It was then proposed to include in that act the port to port traffic of package freight vessels, but that point was eliminated from the bill. He claimed that the tendency under the board's jurisdiction would be to switch export grain from Canadian to U.S. channels. At present there is more Canadian grain exported from U.S. ports than from Canadian ports, and this, it is claimed, is due to shortage of facilities at Montreal, due partly to the elevators there being used for storage purposes, the longer haul through the St. Lawrence, the higher insurance rates, and the alleged ocean combine, which absorbed any difference made in the tariff on the lake route, which was made in an effort to hold the lake trade to the Canadian ports. The control of tolls and tariffs by the board would be considered most objectionable, not as a question of the vessels' interests, but as not being in the interest of the trade and commerce of the country. It would increase the tendency to drive grain out of the Canadian channel into a channel where it would run through Buffalo. Over 50% of the grain from Fort William runs through Buffalo, chiefly because the shipper orders it by that route, owing to a lower through rate.

Several other speakers were heard by the committee, the objections being more or less the same, with a few additional points of evidence here and there, which strengthened the case against the proposed amendment. The cumulative effect of the evidence, and the strong position occupied by the opposition, caused the committee to strike out the objectionable part which it was proposed to add to the section, thus leaving matters concerning control of lake freight rates as they were.

### Permissible Draught on Welland Canal.

—Notice was given recently that from June 15, until further notice, no vessel would be allowed to enter and pass down through the Welland Canal, drawing more than 14½ ft., and no vessel will be allowed to enter and pass up, drawing more than 14 ft.

## Welland Canal Accident.

The wooden steamship Nipigon, owned by W. J. Harlow, Toledo, Ohio, upbound and light, struck and carried out the two head gates of lock 1, Welland Canal, on May 26, about 4.45 o'clock p.m. The vessel and gates were carried out into the harbor below. Owing to the fact that the old and new canals are connected above lock 1, a great quantity of water was released, and it was not possible to close the two foot gates until 4.15 a.m. on May 27, when the water had ceased to lower further. The large quantity of water coming down the old canal, which is used for water power, and from the Cataract Power Co.'s tail race, made it very difficult to close the lower lock gates. When the gates were closed, which operation required but a minute or two, there was a head of approximately 6 ft. of water acting upon them. Two spare lock gates were placed in position and the lock was ready for operation on May 27, at 2 p.m., but navigation could not resume as the reach had not sufficiently filled up. Traffic began again at 6.45 p.m., having been interrupted for 25 hours. About 17 downbound and 4 upbound vessels were delayed for periods varying from the full 26 hours to a few hours.

The Nipigon was not seriously injured. Her propeller was badly damaged, two of the blades being broken off when the boat was carried by the rush of water into the west docking. The estimate of the cost of repairing the damage to canal property is \$4,000. It appears that the accident was due to excessive speed of the vessel in entering the dock. The engines were not working ahead, but centred. They could not be reversed in time to avert the collision with the upper gates. A wire cable placed on a snubbing post slipped through the compressor.

## Shipbuilding Possibilities at Quebec.

The Quebec Board of Trade, of which J. G. Scott, ex-General Manager, Quebec & Lake St. John Ry., is President, is urging the claims of Quebec as the most suitable location for a large shipbuilding plant, and recently took steps to bring the matter before the British Premier, in view of the extensive shipbuilding program being undertaken in Canada in British interests. The British Premier referred the matter to the Imperial Munitions Board in this country, and the Chairman communicated with the Board of Trade to the effect that the Munitions Board would be pleased, if Quebec interests made the necessary investment and made a serious effort to equip yards for the construction of vessels, to co-operate with the city, or company which may be established, to secure the necessary plates for steel shipbuilding, provided the company give a satisfactory price for building vessels, and an unmistakable assurance that they will be completed within the time specified on contracts.

During the campaign which the Board of Trade has been carrying on for some time to induce some of the larger shipbuilding firms to locate in Quebec, invitations were extended to several companies in Great Britain, Ireland and France. Several of these have replied, mostly to the effect that the matter had been under consideration previously, but owing to the lack of government support, and to other causes, proposals for such establishments had been dropped.