

The Commercial

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THE CANAL QUESTION.

The Erie to v canal appears to be falling into disuse, according to reports from Buffalo. The railways are said to be taking freight through from Buffalo to New York almost as cheaply as it can be handled by the canal, while the railway service is much more expeditious, and superior in other respects. The canal boatmen are said to be tying up their boats and abandoning their property for other pursuits. They say that unless the canal is deepened so they can carry larger loads, there will be no use in trying to compete with the railways.

The condition of traffic on the Erie canal, which was once such a great thoroughfare of commerce, has an important bearing on the whole question of our border canals, which at the present time is attracting so much attention in the United States and Canada. Not long ago a convention was held at Detroit, to consider the question of deep water communication between the great lakes and the seaboard. Various schemes were proposed for a route through United States territory, connecting the lakes with deep water on the Atlantic seaboard.

But when all other propositions are fully considered, the fact still crops up that Canada holds the key to the situation. The only natural route is through Canadian territory. The fact that the Erie canal is falling into disuse, while the traffic via the Canadian route and Montreal is steadily increasing, only emphasizes this fact. The outlet of the great lakes is through the St. Lawrence river. This is not only the natural outlet through which the waters of the lakes find their way to the ocean, but it is also the only route at once feasible for purposes of navigation. This route is now open for steamers of considerable size, and it can be so improved at a moderate cost as to provide for the passage of the largest size of lake steamships, from Chicago or Duluth to Montreal. We say this can be accomplished at a moderate cost, and by this we mean moderate in proportion to the importance of the work. It may be practical to cut a water highway from the lakes through United States territory, on a sufficiently large scale to allow of the passage of fairly large steamships, but it would be a gigantic undertaking. It would involve the cutting of a deep canal from Lake Erie to the Hudson river, or an alternate route would be a canal from Buffalo to Lake Ontario, and thence from some point on Lake Ontario to the Hudson. Many in the United States who have looked into the matter, no matter how much they would favor a route through their own territory, have come to the conclusion that the Canadian route is the only feasible one. Accordingly they urge that some arrangement should be made by their government with Canada, for the use of the Canadian route. Some time ago a committee presented a report to congress, admitting that the St. Lawrence system is the most practical way of reaching tide water, and urged some way of securing a permanent right of way for United States shipping through Canadian territory.

Our highway to the ocean is therefore of vast

importance to the United States. The great inland shipping interest of that country is seeking to extend its usefulness in the direction of the sea. The vast exporting and importing interests centering about the great lakes and to the west thereof, are demanding the opening of the lake route through to the ocean for large steamers. What then is to be the route? is the question which is agitating many a mind in the United States. Shall untold millions be invested in (perhaps squandered) in a possibly feasible route through United States territory, or shall an effort be made to come to terms with Canada, for the further improvement of the natural route, for the advantage of the people of the two countries.

Citizens of the republic naturally see a number of objections in their being dependent upon Canada for a waterway to the sea. These are to a considerable extent sentimental, as may be supposed. The Detroit convention, referred to in this article, decided in favor of a route through the United States, and at this convention the terrible results of British supremacy on the lakes, through the control by Canada of the route to the ocean, was much talked about. A canal through United States territory was demanded as an offset to the favorable position of Canada.

Leaving the sentimental aspect of the question aside, and considering it solely as a commercial matter, there is much to be said in favor of the further improvement of the Canadian route to allow of the passage of large steamships, under an agreement which would open it on the same terms for the shipping of both countries. Canada, however, is practically independent of the United States in this matter. At present we are obliged to use the United States canal at Sault Ste. Marie, but as soon as our own canal, which is now under construction at that point, is completed, we will have our own highway from the head of the lakes to the ocean. On the other hand, the United States is dependent upon our Welland canal for connection between Lakes Erie and Ontario, and United States shipping is further dependent upon our St. Lawrence canals to reach an ocean port.

If the United States is willing to use our waterway to the sea, that country should certainly be prepared to pay something for it. When our Sault canal is completed, we will be quite independent of the republic. We have spent \$60,000,000 on our canals, and we must count upon further large expenditures to increase the size of the canals to permit of the passage of a larger class of steamers than they are now capable of floating. If the United States is to have the privilege of using our canals on the same terms as our own people, the republic should be prepared to grant us some substantial advantage in return.

INJURIOUS LEGISLATION.

In this country business men do not always expect wise legislation concerning commercial matters, from our federal and local parliaments. Legislation very injurious to commercial interests has occasionally emanated from these bodies. In fact there is a general feeling of mistrust among business men, when any important commercial question is before federal parliament or local legislature. When these bodies are in session, the commercial organizations throughout the country are obliged to be on the alert, and many times they have

been called upon to fight against measures injurious to commerce. Much evil legislation has been averted in this way, but injurious measures frequently slip through unobserved, or are passed in the face of monstrosities from the commercial bodies. In the United States commercial interests are also frequently seriously menaced or injured by adverse or threatened adverse legislation. In this connection we find the following paragraph in the *Bankers' Magazine*, of New York:—

"The defeat of the silver bill, and the approaching adjournment of Congress is reflected in improved values and a more confident feeling prevails. It is humiliating to be compelled to admit it, but it is nevertheless a fact that Congress is an incubus to trade and a deterrent of general prosperity. Politics have taken the place of patriotism, and legislation is based more upon partisanship than upon a desire to enact such laws as will be to the best interest of the country and people. It is to be hoped that after the election the situation may be reversed, but as it now is, the whole country will feel relieved when Congress adjourns."

Such a situation is certainly humiliating, as the paragraph quoted expresses it. Our legislative bodies should be the first to advance the commercial interests of the country on sound principles, but unfortunately such is not the case. Machine politics rules the situation, and the desire to keep in office, is the controlling factor in politics. The desire to please various factions, with the object of securing votes, sometimes calls forth peculiar legislation, damaging to commercial interests. This has been more apparent in the United States perhaps than in Canada. All sorts of fads are brought up, and it is surprising the following some of these measures secure. Legislation in the interest, or rather we may say the supposed interest of classes, is one of the most objectionable features from which the commercial interests of Canada and the United States are obliged to suffer. We say supposed interest, for very often the measures utterly fail to accomplish the pretensions put forth by those instrumental in bringing them forward. A cry is got up, however, that such and such legislation is demanded in the interest of a certain class of persons, and forthwith there is a large following in favor of the proposed measure. In deference to this following, which is measured by the number of votes represented, very shady legislation is sometimes passed. The silver bill referred to in the paragraph quoted above, is a good sample of pernicious class legislation. If our governing bodies were made up and conducted more upon common sense business principles, and much less upon the idea of party expediency, it would be very much better for the country.

EDUCATION IN MANITOBA.

The decision of the Privy Council in the Manitoba school case has revived intense interest in this important question, and from one end of the Dominion to the other the press has been actively engaged discussing the issue. The case is one of the most important which was ever sent to the Privy Council from Canada, and the result has been a complete triumph for the Manitoba government.

All our readers may not be familiar with this celebrated case, the particulars of which are briefly as follows: Up to two years ago a denominational school system prevailed in Man-