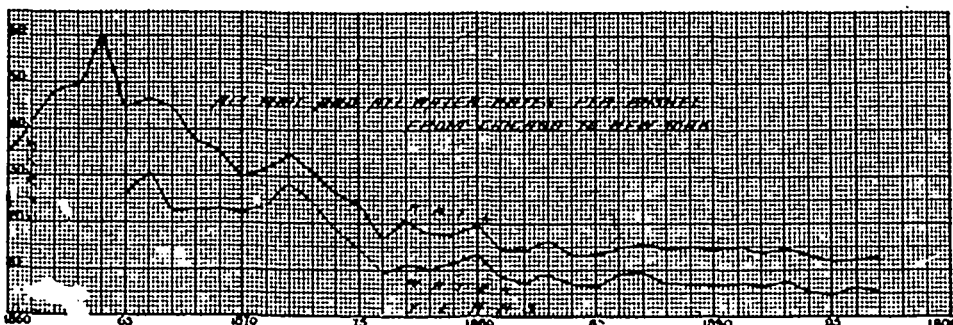


ocean steamers the largest are now greatly preferred, but Mr. McDougall, the designer of the whaleback lake fleet, for which the highest efficiency in service is claimed, has stated recently that of all their boats, they believe that those suited to the Canadian canals will make as good a showing as any of the larger vessels. The promoters of the Trent Navigation are of the same opinion, and claim that the present craze for large lake ships is without satisfactory foundation, and say that they will be able to compete on even terms for the grain trade over their land locked barge route from the Georgian Bay to Montreal; but the truth of this claim remains to be tested. The failure of the Erie Canal in its struggle against the railroads, they ascribe to a communistic law which forbids any company with a capital of more than \$50,000 to operate on that route. As the great transportation companies now reach after their traffic for thousands of miles, it can easily be realized how hopeless it is for a small barge owner to secure the carrying of that traffic for but a portion of the way.

The completion of the Erie Canal by centering the export trade at New York made it also the importing centre of the continent, and the forwarder by the Erie route was nearly sure to secure a return cargo for his boats, and the influence of the great importing firms thus tended to draw the export traffic from the St. Lawrence, and it would only have been by the growth of a mercantile community in Montreal equal in wealth and enterprise to that of New York that that advantage could have been offset; and any attempt at American importation via the St. Lawrence was rendered impossible by the attitude of the United States custom officials. The disproportion of trade in the St. Lawrence, and also in the export and import trade of Montreal itself has always been very great. This

centre Montreal is unfortunately greatly handicapped by her distance from a winter port, and it is much to be desired that the late suggestions of T. C. Keefer with regard to keeping the St. Lawrence open in winter should be given a thorough trial. This has frequently been pronounced altogether impracticable, but until it has been thoroughly tried with modern ice-breaking steamers no man is really in a position to make this assertion. If the river could be kept open even to Quebec the advantage to Montreal, and to all routes leading to Montreal would be very great. The canals themselves will, of course, never be kept open for more than eight months as an absolute maximum. It is well to state here, however, that although competitively our St. Lawrence canals have not succeeded, they have always been of great absolute importance to this city for almost all the grain for export, and a large proportion of the lumber, has been brought by barges, and it is its great export rather than its import trade that maintains the harbor of Montreal. The canals were for many years the practical link that held the Canadas together. The facilities that they furnished contributed greatly to the building up of Ontario, and they have been indispensable to purely Canadian trade, and have only failed in the effort to turn the trade of New York to Montreal.

There are three canal schemes now attracting the attention of the Canadian public. The first is the old Trent Navigation, commenced in 1837 and discontinued in 1841, and again taken up about 1882 by the Dominion Government. Several references have been made to it in this lecture, and active efforts are being made to secure the necessary appropriations for its completion. It will open up a local trade route of great length, and its promoters expect by a well organized barge service to secure a large proportion of the through eastward traffic.



impossibility of securing return cargoes has been keenly felt by our forwarders, and the early canal builders hoped that the low freight rates that could be made by the St. Lawrence would induce heavy shipments of coal, iron and salt up the river, but the growth of the manufacturing interests on the lakes, where these raw materials are now mined in greatest abundance and at the lowest figures in the world, have destroyed this hope of westward traffic.

For the future our forwarders can only hope to compete for the grain export trade, of which we handle at present but a tithe, although our shipments for 1898 were unprecedented. This increase must, however, be largely ascribed to the activity of the Canada Atlantic Railway which, unlike the Canadian Pacific and the Grand Trunk, catered vigorously for the grain trade, and at prices practically equal to those offered by canal. It will therefore be a matter of great interest to observe in the future the contest between our 14-ft navigation, and this energetic railroad, which is so situated that the grain traffic is almost an essential to it. Certainly the cost of grain transportation has now become much less than the fluctuations of the market price of that commodity. We have also something to hope from the development of heavy manufacturing interests, now taking place in the Province of Quebec; for an active commercial population here would contribute more to the prosperity of our canals than any other probable event. It is also possible that, if the present hostility to our interests evinced by our American neighbors continues, we may be forced to build against them a tariff wall, as high as that which they have so persistently erected against us, and that will mean that much of the coal and iron that is now imported from the States will have to be brought from England and the lower provinces, and will move westward over the cheapest route, that is by the canals. As an importing

The western shippers have long been anxious for a deep waterway canal to the sea, and this has been reported as feasible by an International Commission. The commissioners advised the examinations of the three following routes, by the St. Lawrence River to Montreal, by the St. Lawrence River, Lake Champlain and the Hudson River to New York, and by Lake Ontario, Lake Oneida and the Hudson River to New York. The St. Lawrence route would prove very much the cheapest, but this enterprise is never likely to be undertaken as an international work, because the great bulk of the traffic of the Western States is now with New York and Boston and their surrounding cities, and not with Europe. The Lake Oneida route will therefore best serve their trade, and as this is a purely American route, that would not in any way tend to the building up of Canadian shipping, and to the increase of an independent Canadian commerce, Canada has no interests in it; while the St. Lawrence route by not leading directly to the Eastern States would not be a benefit to the larger portion of the American trade and would not be considered by the United States.

The proposition that was made to the Dominion Government during the last session of Parliament for the building of a 14 foot canal via the old route of Champlain and the fur traders from the Ottawa River to the Georgian Bay, renders possible the construction of this work at an early date, but it is doubtful if the offer will be accepted by the Government. Considered as a canal it could not under present conditions be made a paying investment as our Government canals are at present operated at a heavy annual loss to the country, but the enormous water power that would be made available by the construction of the proposed system of locks and dams on the Ottawa and on the French Rivers is a commercial prize well worthy of attention. This is estimated at a million h.p., after making all allowances