

and a score of steamship companies and kindred organizations are making the fight of their lives. It is a gigantic struggle between the sturdy seven million Canadians and the ninety odd millions of hustling Americans. On the other side of the line, the shrewd business enterprise, the years of experience and the accumulated wealth of ninety-two millions of people, are concentrated in an effort to retain for New York its present supremacy. Americans who have seen their farmers cross the forty-ninth parallel of latitude and produce Canadian wheat, are deriving a certain amount of satisfaction from the fact that large proportions of this wheat is shipped via Buffalo and New York to the Old Country.

During 1911 Canadian wheat amounting to 36,641,000 bushels passed through the Canadian canal at Sault Ste. Marie. Of this 43.8 per cent. found its way to Europe via the Buffalo, New York route despite the efforts of the Canadians to capture the trade for Montreal. During the month of November, which is the rush month for wheat over 18,000,000 bushels of Canadian wheat passed through the Canadian canal at the Soo. Of this nearly 50 per cent., or to be exact 48.3 per cent., was shipped via Buffalo and New York.

In 1912, Montreal made a better showing and as a result Buffalo only secured 40 per cent. of our Western wheat, but even this percentage is far too great. Careful investigations as to the reason for this large proportion of Canadian grain going via the American route resolves itself into three main causes. First, there is a greater availability of ocean tonnage at New York than at Montreal; second; there are lower ocean rates between New York and foreign ports; and, third, lower ocean insurance rates from New York. These factors are sufficient to divert nearly 44 per cent. of our Canadian wheat last year, and during the month of November nearly 50 per cent. of our wheat, as well as being sufficient to overcome the lower all-water freight rate from Fort William to Montreal as against the combined water and rail rate from Fort William to New York via Buffalo. The all-water and rail rate from Fort William to Montreal in November was 4 1-2 cents a bushel. The water rate from Fort William to Buffalo was 3 1-2 cents per bushel, and 5 1-2 cents by rail from Buffalo to New York. At first sight this would seem to be sufficient to give Montreal a tremendous advantage over her rival and secure for her practically the whole of the grain trade. In spite of the fact that the New York rate was double the rate of Montreal, New York captured nearly half of our wheat.

The great determining factors are availability of ocean tonnage at New York, lower ocean rates from New York, and lower insurance rates. In a measure Canada is unable to do much to counteract the advantages which

these give to New York. She can do something, however, by building more, and deepening her present inland canals to offset the natural advantages of New York. Lower insurance rates from New York give that port a tremendous advantage. In Montreal the rates run from 65 cents to \$1.10 per \$100, as compared with from 12 1-2 cents to 15 cents from New York. It is obviously necessary that the Canadian Government should so improve the St. Lawrence channel by deepening, straightening, buoying and lighting it that the insurance rates will be materially reduced. If Lloyd's does not make the necessary reductions it will be necessary for the Canadian Government and shipping companies and others interested to establish a Canadian Lloyd's. Certainly something must be done to overcome the tremendous handicap. In so far as availability is ocean tonnage and lower rates from New York are concerned little or nothing can be done. New York is the great outlet for 92,000,000 of people, while Montreal is the outlet for but 7,000,000. As we grow in wealth and in population these differences between Montreal and New York will automatically adjust themselves. Again, however, Canada can do something to offset the greater advantage possessed by New York in this matter by improving the St. Lawrence route as well as by deepening and enlarging our canals and navigable streams of the interior. To maintain her present place Montreal must be fed through every possible artery of commerce. If the present canals and arteries are not sufficient, then more must be built.

A comparison between the relative routes from Montreal to the interior and from New York to the interior shows that Montreal possesses many advantages over her southern rival.

Distance, American water route, 430 miles; Canadian water route, 320 miles—110 miles shorter.

Number of miles of canal, American, 306 miles; Canadian, 256 miles—132 miles more.

Extreme draft, American, 6 feet; Canadian 14 feet—8 feet more.

Cargo capacity, American, 8,000 bushels; Canadian, 80,000 bushels—72,000 bushels more.

Time consumed, American, 86 hours; Canadian, 46 hours—40 hours less.

Total hours, navigation season, American 5040 hours, Canadian, 5040 hours.

Possible trips per carrying unit, American, 27 trips; Canadian 48 trips—21 trips more.

Possible bushel capacity per carrying unit per season, American, 216,000 bushels; Canadian, 3,760,000 bushels—3,544 bushels more.

Despite these many advantages almost half of Canada's western wheat finds its way by the slower, longer, and more costly American route from Buffalo to New York for transshipment to Europe. It is evident, therefore, that the