

The proximity of Port Churchill to Canada's main purchaser of grains, Britain, has induced a continuous increase in traffic from this port, even though the total exports often temporarily regressed. Additional grain loading capacity will certainly enhance the advantages of that port and attract more traffic. The shortness of the navigation season on Hudson Bay will always be a serious limiting factor in the development of shipping through that route.

The Seaway is bound to have a pronounced effect upon the movement of grain from the prairie provinces. Wheat, oats, barley and other grains are commodities of relatively low value per unit weight. They are extremely well suited to mechanized bulk handling and are practically self-trimming in the holds of ships. These properties have made the transportation pattern of wheat very sensitive to freight rates with the result that water carriage has always been preferred even for relatively short distances.

A commodity as well adapted to water transport in bulk as grain will not fail to take advantage of the St. Lawrence Seaway facilities.

The large lake carriers now carry grain on two circuits - one from Port Arthur and Fort William to ports on the Georgian Bay for furtherance by rail to Lower St. Lawrence or Maritime points and the other to Sarnia, Lake Erie and Lake Ontario ports for transshipment into small canallers sailing to lower St. Lawrence ports via the 14 foot canals.

In both cases there is involved the unloading of the lake carrier and the loading of either rail cars or canallers. This trans-shipment cost added to the higher rates incurred in rail or small canal ship movements raise substantially the cost of grains to the purchaser. The advent of the St. Lawrence Seaway will reduce shipment costs through the elimination of transfer of cargo and reduction in rates for the span now covered by rail or shallow-draft canals.

This reduction in rates will be substantial especially in view of the fact that the Labrador Iron Ore carriers will provide a large volume of bulk capacity on their return to the loading and transfer dock on the Lower St. Lawrence. Grain will indeed provide an idea return cargo for these vessels after unloading the ore at Great Lakes destinations. Whether these savings will be translated into increased profit per bushel for the farmer or lower prices on export markets is still an undecided factor. Whatever way the question is settled, the outcome will be beneficial to the grower as he will receive more profit per bushel or sell more bushels at a stated profit.

Customarily about 50 per cent of the Canadian grain exports are shipped from St. Lawrence ports. In the 1953-54 crop year however this proportion dropped to 40 per cent because of the continued increases in activity at the Pacific coast ports and at the Port of Churchill.