

THE BATTLE OF THE CANALS

The New Welland vs. The Georgian Bay Canal.

By NORMAN PATTERSON

There is something attractive about a battle. Whether it is a battle with soldiers or war-vessels, a battle for diplomatic pre-eminence such as is being waged by the Kaiser and the King, a battle for financial leadership such as Harriman and others have waged in the United States, or any kind of lesser battle, the struggle attracts the spectator. Much of the present interest in the British election is merely curiosity regarding a great political battle for large stakes.

Canada is having a battle about the proposed Canadian navy, and this will be followed by a battle over the Welland and Georgian Bay canals. Already the forces are commencing to line up on the one side or the other. "A new Welland Canal with seven locks and capable of accommodating the largest vessels on the Great Lakes," is the cry of the one faction. "A Georgian Bay canal which will carry ocean vessels from the St. Lawrence to the head of Lake Superior" is the cry of the other faction. The new Welland Canal would cost probably thirty-five millions. The new Georgian Bay Canal would cost probably one hundred and fifty millions. If the Government should undertake to build the new Welland Canal it would not prevent their afterward going on with the building of the Georgian Bay Canal. The strange part of the situation lies in the reverse proposition. The building of the Georgian Bay Canal would undoubtedly prevent the Government undertaking the Welland Canal. This is what the supporters of the Welland Canal fear. They do not object to the Georgian Bay Canal being built but they want to make sure that the new Welland Canal is built first.

A Little History.

To understand this canal question one must know something of the history of the Welland Canal, one of the most romantic histories in the commercial development of North America. The Welland Canal should have been built by the United States Government. In the year 1808 Albert Gallatin, Secretary of the United States Treasury, suggested to Congress a comprehensive canal scheme for that country. Those were the days when steam railways were but a dream, and when it cost \$32 to transport a ton of merchandise one mile. Gallatin's plan provided for canals in every direction in which goods and products would be likely to move. This included canal connections from the Hudson River to Lake Champlain and to Lake Ontario. Nine years later this portion of Gallatin's plan was carried out. The Erie Canal was begun. But Gallatin's plan was not followed absolutely and the change has diverted the course of commerce on this continent for a hundred years. The Erie Canal started at Albany and followed the Mohawk River to the town of Syracuse. From there to Oswego is a short distance and if the Erie Canal had gone that direction it would have made Oswego one of the largest ports on the Great Lakes. Those in charge of the building of the canal were too wise for that. They did not want to build up trade on Lake Ontario because that would help Montreal. They desired rather to build up trade on Lake Erie and prevent the products of the West finding a cheap highway to the St. Lawrence River. Therefore, when they reached Syracuse they took the long route over to the Tonawanda River and the city of Buffalo. This increased the length of the canal by over one hundred miles, but the wisdom of those who did this was amply justified. That change diverted to New York the whole trade of the Great

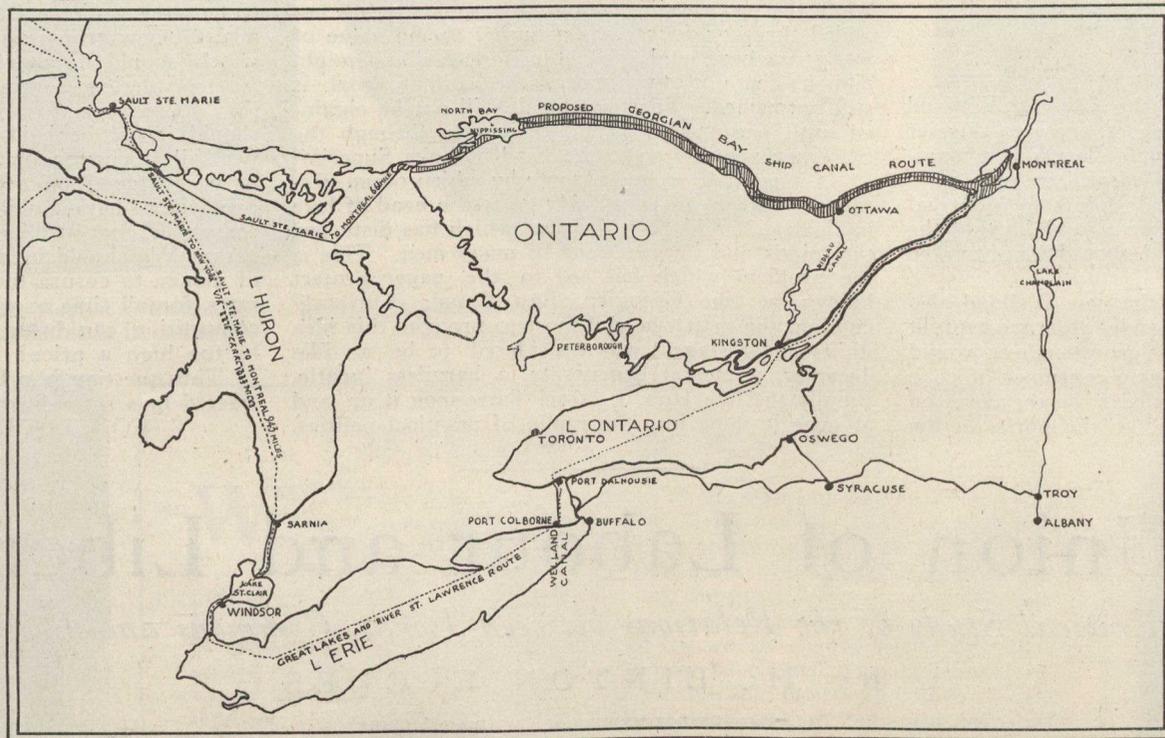
Lakes and all the large tributaries thereof.

About this time a proposal was made in the United States to connect Lake Erie and Lake Ontario. Niagara Falls barred the way down the river Niagara. It is reasonable to suppose that if a canal were built between Buffalo above the Falls and Lewiston below the Falls, it would have been a great convenience to the people trading along the southern shores of Lakes Erie and Ontario. The American statesmen of the time were looking care-

of the modern steamships and the increased traffic.

Although it is only a few years since the fourteen-foot canal was finished, the plans are now ready for a twenty-four foot canal. Such is the rapid progress of commercial demands. The present Welland Canal is 26¾ miles in length, has twenty-five locks, which are forty-five feet wide and 270 feet long. These locks in carrying a vessel from Lake Ontario to Lake Erie elevate 326 feet. The new canal will be shorter and will have only seven locks.

THE WHEAT ROUTE OF THE FUTURE



This map shows the proposed Georgian Bay Canal, the proposed New Welland Canal, and the route of the New Erie Canal from Buffalo to Albany, with a cut-off to Oswego. These three Canals will carry the wheat of the future, but the question is "Which will be the best and cheapest?" From Sault Ste Marie to Montreal via the Georgian Bay is 661 miles, and via the Welland Canal is 943 miles. From the Sault to New York, via Buffalo and Erie Canal is 1085 miles.

fully at the main chance. They recognised that such a canal would be a great rival to the Erie and would divert traffic to the St. Lawrence River and the port of Montreal.

It will thus be seen from this short historical summary that the fight between New York and Montreal began just one hundred years ago. The Americans built the Erie Canal to Buffalo to kill the trade on Lake Ontario. They refused to build a canal round the Falls for similar reasons.

Canada's Feeble Attempt.

As soon as it was known in Canada that the Erie Canal was to be built and would likely run to Buffalo, a project was started to build a Canadian canal connecting Lakes Erie and Ontario. In February, 1816, a committee of the Parliament of Upper Canada reported on this and other navigation suggestions. Two years later the people of the Niagara district sent in a petition in favour of it. This discussion went on until 1824, when William Hamilton Merritt and others formed a Welland Canal Company. At that time the Erie Canal was almost completed; but its Canadian rival was not yet begun. Little work was done before 1826, because the company had great difficulty in getting money. The nominal capital of the company was \$800,000 and very little of this was in cash. Like many modern companies, the promoters apparently hoped to pay for the work out of Government bonuses. The Upper Canada Government did make a loan of \$100,000 and afterwards took stock to the extent of \$200,000. The Imperial Government also made a loan of \$200,000 for ten years. This brought the work up to 1830, when the canal was partially opened. The locks were built exclusively of wood, and much remained to be done to extend and improve the whole route. In eight years it was out of date. Then the Government decided to take it over and rebuild the locks with stone. This was done and in a few years a nine-foot canal of excellent construction connected the two lakes.

Some twenty-five years later the Welland Canal was re-built, and a depth of fourteen feet secured. This was found necessary to provide for the growth

grain landed there would have a choice of routes. It could be sent by rail to Montreal, Portland, Boston or New York.

It must be remembered in this connection that the State of New York is now spending one hundred million dollars on a new Erie Canal. When this is completed and equipped with electricity it will accommodate a barge carrying 33,000 bushels of grain or about four times the Erie Canal barge of the present time. The Erie Canal will then be in a better position to compete with the St. Lawrence canals than at any time since the early years of its existence.

On the other hand, there are shippers who declare that Oswego and Ogdensburg will never get the grain. They maintain that it will still go out via Montreal, even when the Erie Canal is deepened and even if it were extended to Oswego. The great advantage of Montreal is the fact that it is a national port and the "F.O.B." charges are lower. In New York the "F.O.B." charges amount to nine-tenths of a cent per bushel. This difference is sufficient to keep much of the grain going via Montreal. When you add the advantage of being able to ship from Kingston to Montreal in barges carrying 80,000 bushels, as against barges carrying 33,000 bushels on the Erie, the advantage is further accentuated. The advocates of the new Welland Canal advance other arguments but these are their main line of defence.

The Present Advantage.

Another argument advanced by those who are opposed to the new Welland Canal is that the Montreal route has now all the advantage required. The distance from Buffalo, on the south shore of the Niagara River, to New York is practically the same as from Port Colborne, on the north shore of the Niagara, to Montreal. At present, a vessel 270 feet long and drawing thirteen feet of water may pass through the Welland, through Lake Ontario and down the St. Lawrence Canals with 90,000 bushels of grain. At present an Erie Canal barge carries only about 8,000 bushels from Buffalo to New York. When the new Erie is completed, a

Argument Reversed.

STRANGELY enough, the argument which was used by the United States Government against the building of the Erie Canal to Oswego and against a United States canal connecting Erie and Ontario is now being used against the new Welland Canal. Certain Canadian shippers declare that a new Welland Canal would allow both American and Canadian grain vessels to go through to Oswego where they would discharge their cargoes rather than at Kingston or Prescott. In this way the traffic would be diverted to New York instead of Montreal. They declare that just as soon as the big American vessels get through to Lake Ontario, the Erie Canal will be extended to Oswego and Canadian grain will once more find its way to New York. Ogdensburg and Oswego would have an advantage over Kingston and Prescott because