

THE DEVELOPMENT OF THE WATERWAYS.

The ability to place its produce and its manufactured goods in the home markets and in the markets of the world at a minimum of cost, makes a successful nation.

The cost of carriage varies according to the method used for transportation, in the following ratio :

Lowest Cost	All Water Route.
Next	Lake and Rail Route.
Highest Cost	All Rail Route.

Traffic can be handled by an all water route at about one-third the cost of rail transportation and by a rail and water route at about two-thirds the cost of rail shipment. Therefore, the use of the waterways for the carriage of traffic is essentially necessary if we are to obtain transportation at a minimum of cost, effect the greatest possible saving in tolls and bring the best returns to the producer and manufacturer.

Due to the vast extent of territory that has to be reached on this continent, attention in the past has been directed to the extension of railway lines rather than to the development of water transportation. The railways have done their best to meet the requirements of trade but, with an ever increasing volume of traffic offering for shipment, it has been physically impossible for them to handle the business promptly and efficiently; that condition will continue to prevail no matter how much money is expended in improving railway facilities.

The tonnage that can be handled through railway terminals is limited and when an attempt is made to take care of more business than they are equipped to handle, congestion is the inevitable result, the movement of traffic throughout the country is impeded and occasionally a tie up of the entire transportation system is the result with tremendous losses not only to the public but to the railways, due to their inability to get proper service from their equipment.

A railway company cannot earn a revenue from wheels that are standing idle and every day cars are allowed to stand on track without movement, means a loss to the carrier that, in the aggregate, amounts to millions of dollars per annum.

As well might we take a wheelbarrow and attempt to do the work of a motor truck as expect the railways to perform the functions that properly belong to the waterways of our country.

WILL NOT INJURE RAILWAYS.

The railways are opposed to the development of the waterways for transportation purposes, fearing that water competition will reduce their earning power. Speaking from an experience of over 45 years in the transportation business, both rail and ocean, I take issue with that conclusion and believe that instead of being a source of injury to the rail lines the development of the waterways will enable the carrying companies to make better use of their equipment and increase the earning power of their rolling stock. By taking care of the surplus traffic the waterways would relieve congestion on the railways, enabling them to handle traffic more promptly and efficiently, with much lower terminal and other expenses than when congestion of traffic takes place.

Possibly the best illustration that can be given of this is a reference to a situation that is undoubtedly familiar to you all.

Between Buffalo at the eastern end of Lake Erie and the head of Lake Superior there are over Sixty-five million tons of business annually handled by vessel on the great lakes. This traffic is brought to the lake