

incomparably the quickest and the safest to the sea, and providing amply for future commercial development.

HON. CHAS. E. TOWNSEND, CHAIRMAN U. S. SENATE COMMITTEE OF COAST AND INSULAR SURVEY, DECLARES THE DEEP WATERWAY A GREATER PROPOSITION THAN THE PANAMA CANAL. ADVANTAGE IN REDUCTION OF FREIGHT RATES.

The Hon. Mr. Townsend, in speaking to his resolution in the Senate, declared that to him such a waterway was a greater proposition than the Panama Canal. If the project were realized the Interstate Commission would no longer have occasion to pass upon railroad rates from the middle West to the Atlantic; water competition would keep them reasonable.

In speaking of this feature, he cited further the peculiar conditions under which the merchants of Utah and Arizona, when shipping freight across the continent to the Atlantic or receiving freight in return, find it profitable to forward such shipments first to the Pacific in order to secure the competing water-rate via Cape Horn.

Once the Panama Canal is open, the length of the present water route via Cape Horn will be cut more than two-thirds. If the present water rate over the immense distance around Cape Horn is already such a factor in competing freight rates, what will be the competition via the Panama Canal?

THE LATE C. M. HAYS UPON WATER CARRIAGE FROM CANADIAN WEST VIA PANAMA.

In the summer of 1911, the late C. M. Hays, then President of the Grand Trunk and Grand Trunk Pacific Railways, predicted that within five years half the products of the Canadian Northwest would find an outlet via the Pacific Ocean; the change would be brought about by the Panama Canal.

If the view of this transportation expert be correct, a necessary corollary will be that the vessels freighting these products from the Pacific ports of Canada will carry return cargoes thither from Europe at rates that will make serious inroads on our Eastern and inter-provincial trade. The only effective answer to this competition on the Pacific is by waterways which will give to ocean vessels access to the upper lakes. By such a waterway not merely would Canada benefit by the reduction in rates upon shipments to and from Europe; inter-provincial trade would be vastly promoted. Nova Scotia coal, for instance, which now can be shipped profitably only as far as Montreal, would find a market in Ontario and the West.

The benefits to intervening lake ports may be illustrated by the city of Galveston in Texas. By deepening the channel at the entrance to her harbor, access was given at this port to ocean borne commerce. The total cost of this and other harbor improvements at Galveston was some \$10,000,000. The result, according to a report of a board of U. S. Engineers, of December 19th., 1908, has been an annual saving of \$10,000,000 to commerce. The business of the port was increased enormously, and Capt. John C. Oakes, Corps of Engineers of U. S. Army, in his report of December 30th., 1908, declares, "I have no doubt, if a careful study be made of this question, a saving of \$20,000,000 per annum could certainly be shown if not \$30,000,000."