

601/A/131/12

# Seventh Annual Report



OF THE

## President

of the

# Board of Trade

OF THE

## TOWN OF

# Port Arthur.



1893



SEVENTH ANNUAL  
REPORT  
OF THE  
PRESIDENT  
OF THE  
PORT ARTHUR  
BOARD OF TRADE

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PRESENTED AT THE ANNUAL MEETING,  
JANUARY 25TH, 1893.

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1893.

OFFICERS OF THE BOARD OF TRADE.

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PRESIDENT,

AARON SQUIER.

VICE-PRESIDENT,

W. C. DOBIE.

SECRETARY-TREASURER,

H. A. McKIBBIN.

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COUNCIL :

D. F. BURK,

F. E. GIBBS

W. J. BAWLF.

LT.-COL. RAY,

A. M. WILEY,

W. W. RUSSELL,

R VIGARS,

JOS. KING,

G. W. BROWN,

GEO. HODDER,

J. J. O'CONNOR,

F. S. WILEY.

*To the Members of the Board of Trade of the Town of Port Arthur:*

GENTLEMEN:—

I the honor to submit for your consideration the

### SEVENTH ANNUAL REPORT

of this Board, and it affords me much pleasure to congratulate the members upon the material advancement made by the Board during the past year.

#### **The Crops.**

The crops of the Northwest were much better during the year 1892 than during the previous season and we have now the gratifying spectacle of all the elevators from Port Arthur, west, being practically full of wheat. The total crop was estimated at about 18,000,000 bushels and it is safe to say that this was a conservative estimate.

#### **Flouring Mill.**

The town is as yet without a flouring mill, and I am more than ever convinced that there is no better place on the Continent of America for the building up of this industry than here. When in Montreal in December, last, a prominent grain and flour firm told me they would erect here a flouring mill of a capacity of 200 to 500 barrels per day if they could get reasonable terms and

a guarantee that their flour and surplus wheat could be forwarded upon a through rate, as is now done with wheat from the elevators here and at Fort William.

I think this matter could be arranged with the railway company very easily, and it should be done, so that we could be in a position to continue these negotiations without delay, or initiate others.

### **Elevator Capacity.**

The elevator storage capacity at Port Arthur and Fort William is now about four million bushels, and the Canadian Pacific company proposes to erect during the coming season another elevator of at least 1,000,000 bushels capacity.

The establishment here a year ago, in connection with the Port Arthur elevator, of a system of improved grain cleaning machinery has been successful, and during the year 1892 more than 1,000,000 bushels of the Manitoba crops of 1891 and 1892 were handled at this point. This means a great deal of money paid out for wages, besides adding largely to our lake tonnage and exports.

### **The Lumber Industry.**

The recent sale of timber limits in this District by the Provincial Government warrants one in stating that the saw mill capacity must soon be increased, in order to keep up with the extra supply of sawlogs which will be placed upon the market just as soon as the proposed improvements are completed upon the Pigeon River. Then we shall have not only the Canadian logs brought here to be manufactured, but much of the white pine of Northern Minnesota must come out the same way, and as there is no duty on logs it can be sawed successfully here.

There are said to be at work in the lumber woods of Eastern Algoma this winter some 5,000 men, cutting sawlogs and pulp wood, all the latter and nearly all the former are taken to the United States to be manufactured. There are so few pulp mills in Canada that the pulp wood has, of necessity, to be exported, but the people of Eastern Algoma think it a grievance, and a most serious one, that the hundreds of thousands of dollars, which are annually paid out for the manufacture of these sawlogs into lumber should go into the pockets of Michigan mill hands, instead of to the hardy workmen of Algoma.

When the Ontario Government sold its limits in West Algoma, they wisely inserted a clause in the terms that the timber so bought should be manufactured within the Province.

### **Manufacturing Industries.**

We are still without any manufacturing of consequence being carried on in our midst. The arguments which have been advanced from time to time as to the admirable position which Port Arthur occupies as a manufacturing centre are good; but unless some more powerful stand is taken on the question, and greater efforts put forth to arrive at this much to be desired end, the next few years will see us no further advanced than we now are. Unanimity of action is required on the part of our people—with that and expenditure of moderate sums in the way of bonuses to such enterprises (and there are many) as are certain to be financial successes, we are bound to make this one of the most important centres in Canada for the employment of labor, and the investment of capital.

### **Blast Furnace.**

Quite recently the Town was approached by parties who desired to build a blast furnace.—It was a pity that those negotiations came to such an abrupt

termination. If possible they should be renewed at once. There are many other localities in Canada at work on this same project, and the one which succeeds first will in all probability be the centre for iron manufacturing in this country. It is much better for both Port Arthur and Fort William to have this enterprise located somewhere in either Town than it is to have it 1,000 miles away.

### Iron Mining.

Following up the question of making this an iron manufacturing centre, it is only appropriate to draw your attention to the question of iron mining. During the last five years, hundreds of thousands of acres of our iron lands have been located and patented. In the great majority of cases these lands have been bought from the Crown by Americans, in other instances large sums have been paid out to the original owners for what are believed to be very valuable iron properties; but I am sorry to say that we have not today in Algoma a single iron mine in active operation. Various reasons are given for this. The chief and only valid ones are that there is no furnace to treat the ore, and that with the present duty of 75 cents per ton on iron ore going into the United States, and ore at its present price, it is not possible to export it at a profit.

There are several different Iron Ranges in the District: The Gunflint, on the line of the Port Arthur, Duluth & Western, the Matawan—which crosses the Canadian Pacific about twenty-five miles west of here—and the Atikokan, about one hundred miles due west. I am informed, and have every reason to believe the information to be correct, that these ranges are geographically so situated that there should be plenty of ore found on them all, and the evidence from such work and exploration as has already been done corroborates this and proves the ore to be of a Bessemer quality.

A prominent plank in the platform of the political party now in power in the neighboring Republic was free raw material. We may therefore expect that when the tariff is revised, and it is bound to be soon, that iron ore will be put on the free list. In that case there is no reason why the exportation of Canadian ore should not commence immediately, for undoubtedly the District contiguous to Port Arthur is quite as rich in ore as is either of the neighboring States of Minnesota, Wisconsin or Michigan, which, during 1892 mined a grand total of 9,071,243 gross tones, of which 1,167,650 were mined on the Vermillion Range (Minnesota) and hauled by the Duluth & Iron Range Railway to Two Harbors for shipment by vessel.

### Port Arthur Duluth & Western Railway.

The completion of the Port Arthur Duluth & Western Railway from Port Arthur to its Canadian terminus at Gunflint Lake, and the further extension of it for six miles to the Gunflint Lake Iron Company's mines, situated on the now famous Mesaba Range in Minnesota is a matter that we should congratulate ourselves upon. If the future of this line is to be gauged by the past and present of the Duluth & Iron Range Railway, and there is no reason why it should not be, then, we may reasonably expect that its operation will be of great benefit to this town and the district, generally.

Already a contract has been made extending over a term of years, for the transportation of 1,000,000 tons of American ore from the Gunflint Lake mine. This, the traffic from the Canadian ore fields, from the silver mines, from the hauling of sawlogs, ties, telegraph poles, etc., not to mention that caused by the large extent of rich agricultural land opened for settlement, should make the road a very profitable one, indeed.

Every effort should now be made to have the short gap between the present terminus of this and the Duluth & Iron Range Railway built, in order

that the people of this district might have a new outlet to the South. This extension would also tap the Vermillion Range, the output of which has already been referred to.

#### **Ontario & Rainy River Railway.**

As you are aware, the Ontario & Rainy River Railway has running powers over the Port Arthur, Duluth & Western Railway to Sand Lake, about sixty miles. This company proposes to extend this line to Sturgeon Falls, the head of navigation on Rainy Lake, a distance of about 135 miles, by way of the Atikokan River, if reasonable aid be granted them by the Dominion and Provincial Governments and such assistance from the local Municipalities as the enterprise is considered to deserve. The completion of the line to Sturgeon Falls, and a small expenditure on the Fort Francis lock would give direct communication, rail lake or river, from Port Arthur to Rat Portage, allow our people to get a fair share of the trade of the Huronian Gold District, the Atikokan Iron Range, the extensive pine forests of Western Ontario and Northern Minnesota, not to mention the trade caused by the increased settlement in the fertile valley of the Rainy River.

This is a question that is well worth the attention of your board and I may say that to a people who have already projected and built two railways and who always succeed in what they undertake, that is, when they make up their minds to it, such a project should be comparatively easy of accomplishment.

#### **Canada's Canals.**

From railway traffic to water communication is but a step. The statement recently made by the Hon. Minister of Railways and Canals, that the "Soo" lock would be completed by May 1st, 1894, and that within three years, the St. Lawrence system of canals will be completed so that a boat carrying 2,000 tons of cargo may clear from Port Arthur and without trans-shipment deliver it in Liverpool or any port in the world, is one that Canadians may well be proud of. Then, and not till then, will the people of the Canadian Northwest know what it is to have a method of transportation from Port Arthur to the sea, by which the product of their prairies can be carried at the rate of one mill per ton per mile, a rate which no railway on earth can commence to compete with: In other words, a rate from here to Montreal, including canal tolls, not to exceed five cents on a bushel of wheat. While I am personally of opinion that the enlargement should have been proceeded with upon the basis of a 20 foot channel, such as the Americans are building from Duluth to Buffalo, the half loaf is better than no bread and 14 feet of water is a vast improvement upon a scant 9. However, I hope to see the day when the deep channel will be carried through by the united efforts of the people of both nations and the St. Lawrence route made the outlet for the traffic, not only of Canada, but for the northern and north western States.

#### **Fast Atlantic Service.**

The establishment of a fast Atlantic service is a matter so important to the country at large, that this board should petition the Dominion Parliament to assist such a line in every reasonable manner.

#### **Algoma Gold Fields.**

Present indications are that the district of Algoma will soon be recognized as a great gold field; already from Sudbury to Rat Portage gold mines are being worked and it only wants capital to start one-hundred mines, for every one now being developed,

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In conclusion let me say that "God helps those who help themselves" and if the people of Port Arthur, the surrounding District and Algoma generally, bear this adage in mind, act upon it and neglect no way of furthering their interests in every possible manner, then, there is no reason why Algoma should not take the position, which, by virtue of its resources, it is entitled to, as the banner district of the banner Province of the Dominion.

I thank you, gentlemen, for the uniform courtesy with which you have treated me during the three years that I have been respectively Vice President and President of the Board, and my best wishes are that circumstances may be such that the opinions of the Board may, in the future, carry much more weight than they have in the past and that its efforts may be crowned with a greater measure of success.

I have the honor to be, Gentlemen,

Your Obedient Servant,

GEORGE T. MARKS

President.