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The Deepening *of the* Welland Canal

ITS IMPORTANCE
TO CANADA



THE BOARD OF TRADE OF THE
CITY OF TORONTO

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WELLAND CANAL

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THE DEEPENING OF THE WELLAND CANAL

It is essential to the commercial independence of Canada, perhaps prerequisite to the preservation of the political union of the provinces, that we shall have, within our own boundaries and subject to no control but our own, the means of transporting the products of every part of our country to every other part, and also that we shall maintain all-Canadian routes by which the produce of all the provinces may reach the world's markets. With anything short of this, we must be commercially dependent upon others.

THE WORK OF THE PAST.

For the purpose of developing our internal commerce and of achieving and ensuring our commercial independence, successive Canadian governments have, besides their expenditures on the Intercolonial, bonused privately owned railways to the extent of upwards of 350 millions of dollars, while the provinces and municipalities have done as much more. Something like 120 millions have also been expended on canals and probably another 100 millions in deepening channels and harbors, building lighthouses, breakwaters, etc. Most of this expenditure has been for the two-fold purpose of regulating the freight charges of our railways and of creating all-Canadian rail and waterways to the seaboard.

COMMERCIAL INDEPENDENCE AT STAKE.

While Canada has been striving to secure an independent water route of her own, our neighbors, with their characteristic energy, have been directing their efforts to divert to their own channels and for the building up of their own commerce, the great and growing grain trade of the West and North West. While we have been building the Welland and St. Lawrence Canals, and deepening, enlarging and improving our waterway to the sea, they have been building and enlarging the Erie Canal and improving the channel of the Hudson River. The contest between Canada and her neighbor for the control of the water-borne traffic of the West and North West has, not inaptly, been called "The Battle of the Canals." A battle it has been and a titanic one, and on its final issue depends results more momentous than those that have turned upon some of history's most noted conflicts.

OUR POSITION INSECURE.

As the matter stands to-day, the advantage is with Canada and if we be true to ourselves and prompt to take advantage of the superior position which is naturally ours, this supremacy will remain with us. We cannot afford, however, to sit inactive with folded hands; neither can we afford to waste our energies and dissipate our means in the undertaking of schemes which, however alluring, can give no certain assurance of maintaining our superiority. Our present advantage is so slight that it may easily be lost, as it was lost, temporarily, some years ago, when, because tolls were charged on the Welland Canal, traffic was immediately diverted to the Erie on which no tolls have been charged since 1883. It is true that, when the tolls were removed and the Welland again made free, the Canadian route recovered its ascendancy, but it is evident that our hold upon the control is not by any means an assured one.

COMPARATIVE ADVANTAGES.

We have an advantage as compared with the Erie-Hudson route of some 80 miles in the total distance from Lake Erie to the ocean port and a further one in the fact that there are 233 more miles of canal on their route and all the rest of theirs is river while ours is lake. On the other hand, however, they have, and in some measure always will have, an advantage over us in cheaper ocean freight rates and lower insurance. There have been times when the difference in ocean freight rates on grain as between New York or Montreal and Liverpool has been as much as five cents per bushel in favor of the American port. As has already been intimated, the difference between the advantages of the two routes is so slight that a trifling toll of one half cent per bushel and a comparatively unimportant tonnage tax sufficed to turn the scale in favour of our rivals.

WHAT OUR RIVALS ARE DOING.

In the hope and with the expectation that they will be able to take from us a very considerable share of our legitimate North West trade, our neighbors are spending upwards of 100 millions in deepening and improving the Erie Canal, and propose to deepen and improve the channel of the Hudson from Troy to Coxsackie and expect to have the whole completed and open to navigation within five years. This will give them a waterway 12 feet deep from Lake Erie to a point 28 miles below Albany, instead of their present 6-foot canal, while the locks will be correspondingly enlarged. It is true that, when complete, the new Erie will still be only a barge canal, but the barges will have four times the capacity of those now in use, and owing to the enlargement of the lock basins the time consumed in locking will be greatly reduced; besides barges cost but little, are cheaply navigated, and are an economical means of transportation. It is esti-

mated that, by reason of the improvements now being made, the cost of transportation by way of the Erie will be reduced by at least one-third, some good authorities even expect that it will be cut in two.

OVERCONFIDENCE DANGEROUS.

It will be a grave mistake to underrate the importance of the Erie as a grain-carrying route or to underestimate the seriousness of the situation with which we will be confronted when our neighbors and rivals shall have completed the improvements they are making. It may as well be admitted that, in the contest for the control of water-borne trade of the West and North West, Canada will be hopelessly and ignominiously beaten if she elects to live in a fool's paradise and trust her fortunes to her present Welland-St. Lawrence Canal System in the belief that it will be at all able to compete with the improved Erie-Hudson route.

ONLY ONE WAY TO AVERT DISASTER.

There is one way and one way only by which we can hope to avert defeat; only one by which we can certainly ensure a complete and permanent victory. That way is to at once and without any hesitancy or delay commence the work of deepening and improving the Welland Canal and vigorously prosecute the work so that it will be finished before our rivals can have their Erie improvements completed. To hesitate is to invite disaster; to delay is to court defeat.

THE PROBABLE COST.

The probable cost of this work has been conservatively estimated at 25 million dollars. (Superintending Engineer Weller, a thoroughly competent authority, estimates the cost at 20 millions.) We would then have a canal shorter than the present by three miles and with not

more than seven locks instead of the existing twenty-five. This canal would admit of the safe and easy passage of the largest vessels ever likely to navigate the lakes; vessels with a capacity of 350 thousand bushels of wheat instead of 70 or 80 thousand as at present.

MONTREAL, OR NEW YORK.

Competent and practical authorities estimate that this would cut the cost of transportation from Port Arthur to Montreal at least in half, and put Canada's control of the water-borne grain trade of the West and North West permanently beyond dispute. It would make it certain that Montreal rather than New York will be the great grain and flour emporium of the continent.

AN IMAGINARY DANGER.

There are those that argue that, were the Welland Canal deepened and improved as proposed, the traffic passing through it bound for the seaboard could still be diverted to the New York route by way of a canal from Lake Ontario to Albany. There is absolutely no danger of this. Such a canal could never be anything more than a 12-foot barge canal like the new Erie, quite incapable of successfully competing with even the present 14-foot St. Lawrence Canals. The Commission appointed by the State of New York to investigate and report upon the matter have reported adversely as to the practicability of making and maintaining a 20-foot channel in the Hudson between Coxsackie and the State dam at Troy, a 12-foot channel being all they found to be practicable. The depth of the channel in these twenty-five miles must determine the feasible depth of the canals above it, as well to Lake Ontario as to Lake Erie. Besides this, if necessary and desirable, Canada can deepen and improve her St. Lawrence Canals, reducing their number and lessening the number of locks.

NO OTHER SCHEME WILL AVERT COMMERCIAL DISASTER.

It is being said that the proposed canal by way of the Georgian Bay, Lake Nipissing and the Ottawa River would, were it completed, owing to the comparative shortness of the route, be more certain than the Welland-St. Lawrence system to ensure Canada's supremacy as regards the water-borne trade of the North West. There is no desire to antagonize or disparage another all-Canadian route and it is quite unnecessary to do so. For, should the development of the North West continue as rapidly and be as great as all Canadians hope, both the Georgian Bay Canal and the Welland will be taxed to their utmost to transport its produce and, that, even though a very considerable share shall pass through the Hudson Bay route.

PROMPT ACTION IMPERATIVE.

It must be remembered, however, that according to the report of the engineers (see page 325) the Georgian Bay Canal cannot possibly be completed in less than ten years after its construction shall be decided upon, while practical men who have had experience as constructors of such work hold that twenty or even twenty-five years will be required to construct it. On the other hand, the improved Erie Canal will be open to navigation within five years which would give our rivals an advantage of from five to fifteen or even twenty years, an advantage which it would be exceedingly difficult to overcome—difficult to the very verge of impossibility. It was no doubt with this thought in his mind that the Premier, speaking at Fort William last July, said that to prevent the diversion of the grain carrying trade of the North West to the Buffalo-New York route "our only remedy is to deepen the Welland Canal to 22 feet," and he added with emphasis, "This is one of the first things to which we must apply ourselves." And

the Premier was not blind to any possible potential advantage that may come to Canada through the construction of the Georgian Bay Canal, for in the same speech he referred to it as another public work which will be necessary. It is as well to mention here that, according to the report of the engineers, even though the Georgian Bay route prove as speedy and as practical as they believe it can be made, it will then have no advantage over the improved Welland-St. Lawrence route as to the time of transit. (See page 320 of Report.)

NEW WELLAND ESSENTIAL TO SUCCESSFUL OPERATION OF GEORGIAN BAY CANAL.

Even when it shall be completed vessels using the Georgian Bay Canal would have to face a serious handicap in their competition with the Buffalo-New York route unless the Welland-St. Lawrence route could be used by them when returning to the head of the Lakes, by reason of their inability to obtain return cargoes. Such cargoes they could not obtain at Montreal and unless the Welland-St. Lawrence route were open to them they would have to return empty to the Georgian Bay and pass thence by way of Lakes Huron and St. Clair and the Detroit and St. Clair Rivers to some Lake Erie port for a return cargo of coal. This would involve a run, empty, of some 1,200 miles, 440 of it being canal and canalized river, whereas, had they the choice of the improved Welland-St. Lawrence route, they could utilize that to reach a Lake Erie port saving fully 800 miles of the total distance and only having to pass through 70 miles of canal. So important a part does the matter of return cargoes play in the grain-carrying trade that at present—and probably it will be so for the future—vessels carrying grain from Port Arthur to a Georgian Bay port must charge the same rates as to Port Colborne or Buffalo as they must run down to a Lake Erie port for return cargoes. In order that the Georgian Bay route may have even a fighting

chance to compete with the improved Erie it will have to be operated in conjunction with an enlarged and deepened Welland-St. Lawrence system.

WHAT THE FUTURE WILL DEMAND.

That not only will the improved Welland route, the Georgian Bay Canal, and all our completed and projected railways be needed to carry the products of the Canadian North West to the world's markets is something more than the dream of a dreamer. The hope rests on an assured foundation; it is neither visionary nor even unlikely. Between 1901 and 1906 the population of our three prairie provinces almost doubled and the yearly increase has been greater since then. The grain products, wheat, oats and barley, of the two newer provinces increased in the same five years from 19 millions of bushels to 54 millions, and as yet not five per cent. of the arable land is under cultivation. It is then no vain hope that Canadians entertain that their country is destined to be ere long the world's principal granary and surely we ought not to hesitate to make ready to carry those overflowing harvests to the markets of the world over routes which we will ourselves control.

WATER TRANSPORTATION REGULATES RAILWAY RATES.

But the determination to make their country commercially independent, however worthy, need not be the only motive impelling Canadians to improve their waterways. This improvement appeals as a business proposition; as an enterprise that will pay. Cheap transportation freight rates based upon fair remuneration for service rendered, not upon the rule "all the traffic will bear," is what we need and are entitled to demand. There is nothing that can so effectually curb the tendency of railway companies to exact

high freight rates; nothing that will so certainly force them to improve their systems as the competition of water routes. Even the present Welland Canal, all inadequate as it is to meet the transportation requirements of the day, last year forced the New York railways to reduce their rates on grain from $5\frac{1}{2}$ to 4 cents. The lowering of freight rates is a benefit in which all the people share, not only those adjacent to the water routes but those remote from them as well. It is estimated that the deepening of the Welland would reduce the carriage cost of coal to Lake Ontario ports to 30 cents per ton and it would permit the profitable carrying of ore from Huron and Superior mines by water, thus making possible the establishment of great smelting industries at Ontario ports.

REALITIES, NOT DREAMS.

It is not likely that the dream of those who have visions of great ocean freighters passing through our lakes and canals, carrying grain from the head of the lakes direct and without transshipment to Liverpool, will ever be realized. It does not appeal to practical vessel men. The economies of business do not lend themselves to it. The kind of freighter best adapted to the grain trade of the Lakes is not suited for an ocean voyage, and, on the other hand, vessels built to meet the requirements of deep sea navigation could not profitably engage in the grain-carrying trade of the lakes. Once the Welland and St. Lawrence Canals shall be enlarged, however, they will doubtless be used by "tramp" steamers and other comparatively small vessels, which, though not suited to the grain trade, would be able to do a considerable freight business, and exert a potent influence in the regulating of carrying charges.

WHAT MORE MUST BE DONE.

A trunk line must have feeders, and to a waterway harbor facilities, elevator accommodation, etc., bear a relation comparable to that of branch lines to a trunk railway. The deepening and improvement of the Welland-St. Lawrence route ought to be accompanied or quickly followed by the improvement of the harbors along it so that all vessels passing through the canal may be able to enter them and discharge their cargoes without delay and expense of lightering at such important commercial manufacturing centres as Hamilton, Toronto, Belleville, etc. Ample elevator facilities ought also to be provided as a means among other things of encouraging and promoting the grinding of the wheat of our North West in our own country, thus providing profitable employment for Canadian capital and labor and greatly benefiting our agricultural population by retaining at home the by-products for feeding purposes.

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