

J. R. Bell
Compliments

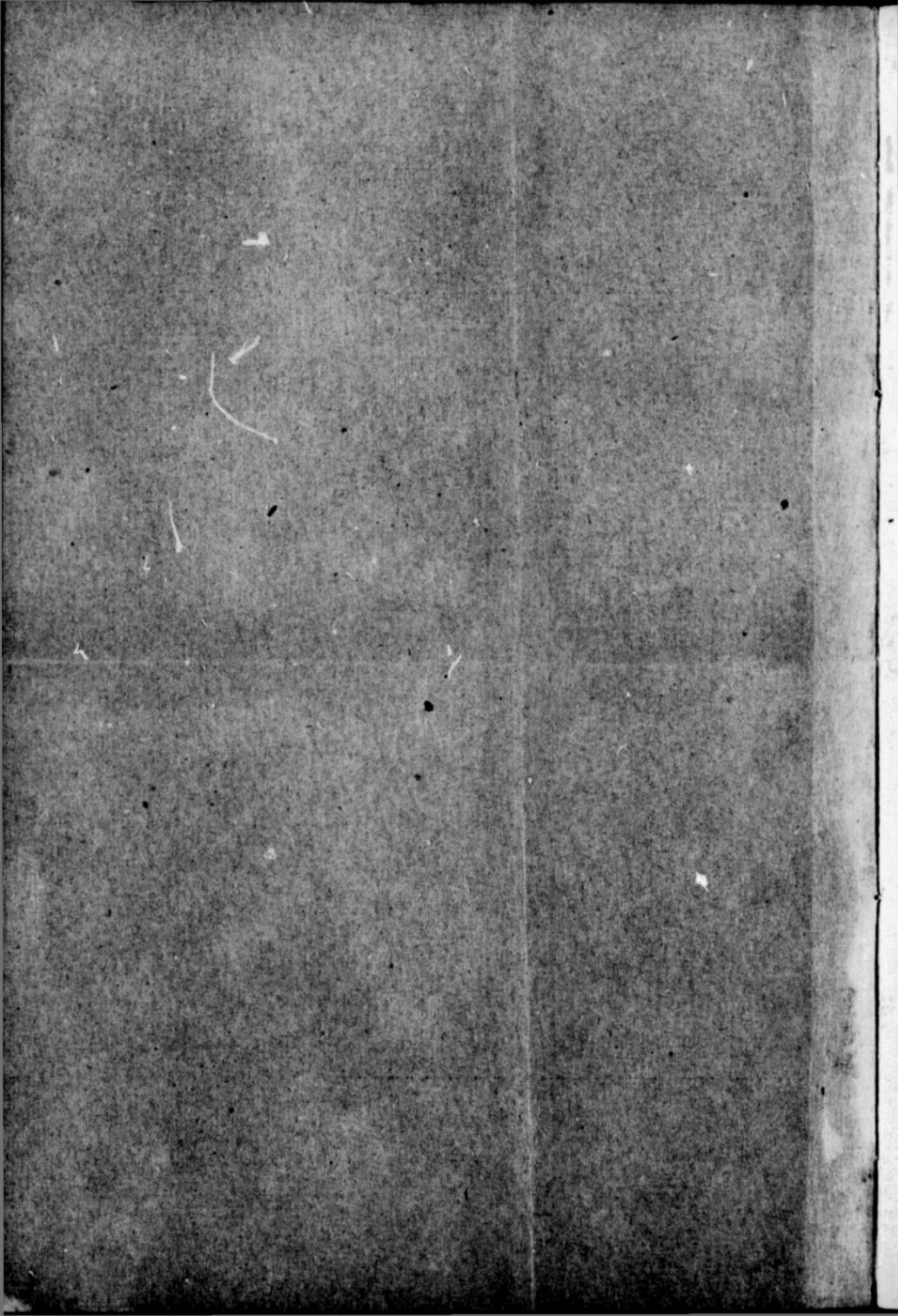


FOURTH ANNUAL REPORT OF THE

BOARD OF TRADE,

PORT ARTHUR, ONT.

1888-1890.



FOURTH ANNUAL REPORT
OF THE
BOARD OF TRADE
OF THE
TOWN OF
PORT ARTHUR

ADOPTED AT THE
ANNUAL MEETING, HELD 21st JANUARY, 1890.

THE HERALD,
FORT ARTHUR, ONTARIO.
1890.

THE BOARD OF TRADE

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OFFICERS

1890.

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President.

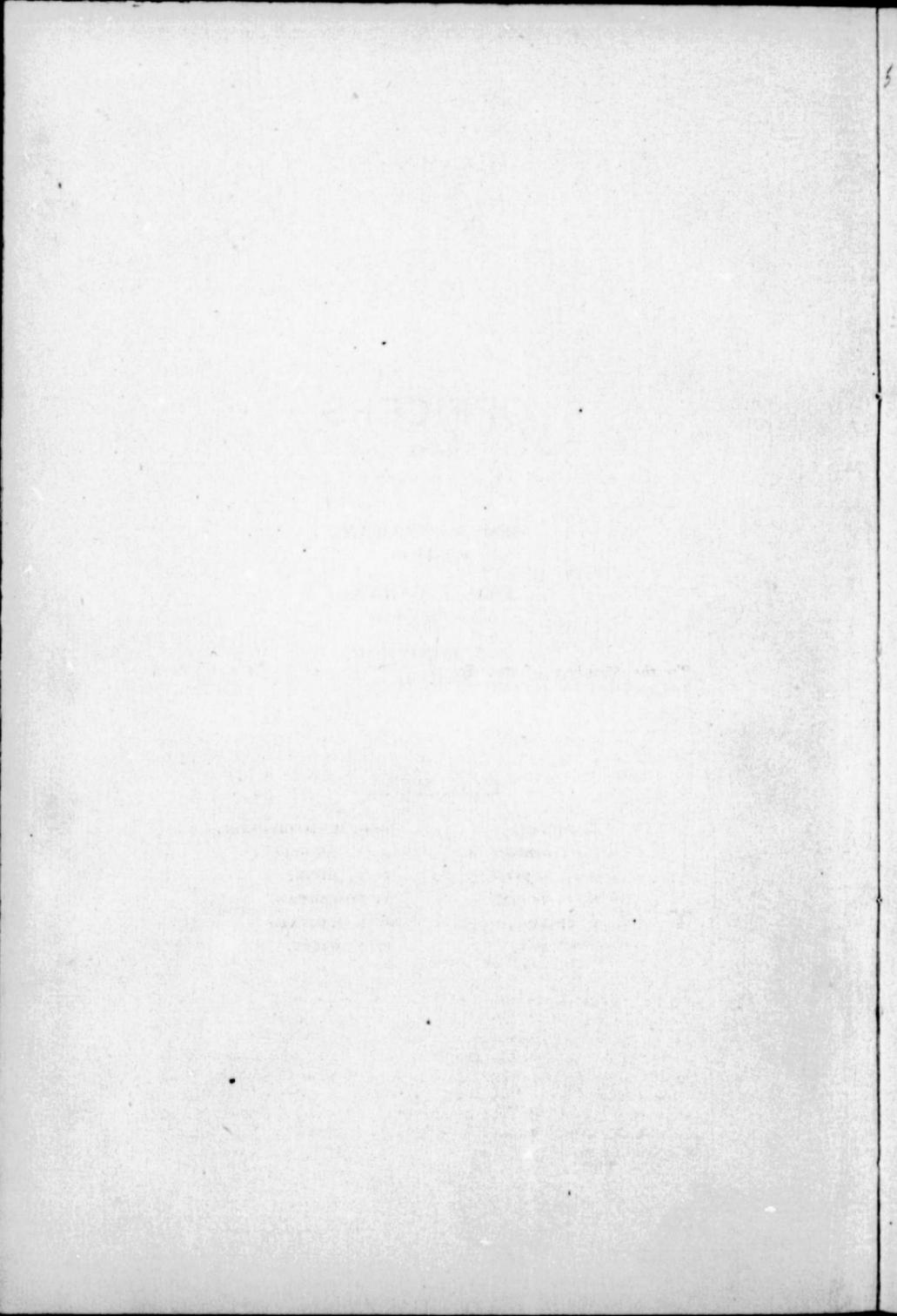
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BOARD OF TRADE
OF THE TOWN OF PORT ARTHUR.

PRESIDENT'S ADDRESS, 1869.

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

GENTLEMEN:—

I have the honor to submit for your consideration the fourth annual report of this board, and trust that the subjects considered therein will be of sufficient interest and importance, as they have been in the past, to provoke that discussion and attention by which alone satisfactory results can be achieved.

The most important question that has come before you during the past year has been

THE PORT ARTHUR, DULUTH & WEST-ERN RAILWAY.

The suggestion made in my last report that the energies and resources of the promoters of the rival railway enterprises should be combined, has happily been carried out, with the result that the Provincial Government granted during the last session a subsidy for the first 50 miles of the Ontario & Rainy River Railway, which by agreement and with the consent of the government could be utilized in the construction of the Port Arthur & Duluth road. The O. & R. R. Company in return have perpetual running powers over that portion of the line so subsidized. The result will be, so soon as the 50 miles are completed, that Port Arthur will have to all intents and purposes two railways stretching out into the western country for that distance

These enterprises must not be allowed to drop at this stage. The Port Arthur, Duluth & Western line requires provincial aid for the remaining 35 miles, and both the Rainy River line and a proposed branch of the P. A., D. & W. from Sand Lake to Atikokan requires subsidies from each government, so that they may be extended without delay. It was unfortunate that so much of the summer had elapsed before an agreement could be concluded for the building of the railway; however a start was made by the contractors, Messrs. Middleton & Connee, about the first of September, and although they were seriously delayed for the want of permission to make the crossings over the C. P. R. here and at Fort William, and by the scarcity of rails, still the work accomplished, viz., grading, bridging, tracklaying and ballasting of about 20 miles to Stanley Station, the point at which the government road to the silver mines crosses the Kaministiquia, was of itself a wonderful feat to have been accomplished in that limited time.

The final location of the line between Stanley and the boundary is now being made, and will be completed before spring, by which time not only will the Kaministiquia and other bridges be finished, but all the ties and necessary timbers will be on hand, and the heavy cuttings between Stanley and Silver Mountain ready for the active resumption of grading work as soon as the weather will permit of it.

Port Arthur has voted a bonus of \$25,000, payable on the completion of the first 50 miles, Fort William has voted \$15,000. It is likely that Port Arthur will be asked for a further bonus at the same rate for the remaining 30 miles, that is \$15,000. It will of course be time enough to discuss the merits of the company's case when it comes before you, but it appears to me the town can well afford to contribute that amount. I will refer further on to the extent and resources of the district through which these railways run.

Amongst our resources none is more important than

MINING.

This board and our citizens generally and all Canadians do not give this the sympathy and co-operation which such an important industry deserves.

Algoma will yet be as great a mining district as any in America, but, to ensure success in mining, not only energy and capital are necessary, but a technical knowledge on the part of those engaged in the supervision of operations. Mining which was always a legitimate business is rapidly being recognized as such by the general public, and all over the world operations are being conducted on a more legitimate basis. From the eastern boundary of Algoma near Sudbury to its western limit at Rat Portage, on the Lake of the Woods, new and important discoveries of different minerals are from time to time heralded by the press. The copper mines of Sudbury, which were

brought so prominently before the public several years ago, when first opened up, are turning out vastly more valuable than the most sanguine reports originally promised. The nickel which the ore also contains is so abundant that it is said these mines alone can produce more than the combined output of all the other nickel mines of the world and it can be produced so cheaply that it will be utilized to a much larger extent than heretofore. Already it is suggested as a probable alloy for steel, the benefit to be gained by an admixture of the two metals being remarkable.

Gold has recently been found on the Algoma Branch of the C. P. R. north of Bruce Mines. Important iron discoveries are reported from near Sault Ste. Marie. Indications of nickel are plentiful near Schrieber on the Canadian Pacific Railway 130 miles east. The Port Arthur silver district continues to be prominent and never in the history of silver mining here have matters looked so prosperous. Large shipments of ore have been made all through the season, new mines are being worked and prospects developed, and altogether, affairs in the Port Arthur silver district are bright and business-like. The recent dividend at the Badger of 10 per cent. on the total capital stock of \$250,000, after having returned to the proprietors all the money invested by them in mining, machinery, purchase of lands &c., some \$200,000; the rise in Shuniah Weachu stock, the development at the Beaver, the rich ore body struck at the Elgin, the showing at the West End, one and all point to the eventual value to the district and our people of the silver mines. The Rat Portage gold district is slowly but surely coming to the front, the wonderful showings of free gold being sure to result in the investment of capital in mining. Mine owners have had an up-hill battle waiting for titles to their properties, and it is slow work attracting the attention of investors to a district where for so long a time it was impossible to give a capitalist any legal title to the property in which he was asked to invest his money. However the dawn of a brighter day is before Rat Portage, and next summer there will be a strong mining movement there, which cannot but help the whole district. Other discoveries of more or less interest have taken place during the summer, notable amongst which was finding in the Townships of Blake and Crooks a belt or dyke of amygdaloid carrying native copper. So little work has been done on this yet that it would be premature to pass an opinion on its value, but there is no reason why the copper deposits of the North Shore should not be quite as valuable as those of the Keeweenaw peninsula less than 100 miles away, on which are situated the Calumet, Hecla, Tamarack and other world renowned mines. Some very fine silver has also been located in Crooks, proving beyond a doubt that the silver range covers a triangular tract of country running southwesterly from Port Arthur 60 miles in length and equal in area to 1,250 square miles.

More attention has been paid this year to iron lands than ever before in our history. One syndicate of American capitalists located and purchased from the crown some 30,000 acres between Whitefish and Gunflint Lakes, on which there is said to be a large amount of good iron. A diamond drill has been shipped and will be taken out there this winter to test this iron, as well as a large quantity previously located along the boundary on both sides.

This ore must find its outlet via Port Arthur and over the Port Arthur, Duluth & Western Railway, as the haul is shorter, the grades better, and it can altogether be handled more cheaply, (even that on the Minnesota side) than is possible over any American road.

The Graham McKellar iron on the Atikokan River which was located several years ago has been reported upon on several occasions. A portion of it has been leased for a term of years on royalty, with a guaranteed minimum output, to one of the chief stockholders of the Minnesota Iron Company. Last summer the outcrops on this range were traced for some miles further and the land located. The whole range probably shows the most wonderful outcrop of iron that has yet been discovered on either shore of Lake Superior. Even with the American import duty of 75 cents per ton which has to be paid, this iron can be profitably shipped to the United States. This is owing to its high character as a bessemer ore, the tremendous quantity in sight, and the ease with which it may be mined. Analysis of ordinary samples show all the way from 65 to 69% of metallic iron, while there are no injurious ingredients in the way of phosphorous, sulphur or titanic acid, phosphorous being as low as 0.00117, sulphur 0.052, titanic acid nothing. The crying necessity for this range is railway communication, which can be had either by the Canadian Pacific building a branch line from Fire-steel River, or by a branch of the Port Arthur, Duluth & Western from Sand Lake. The haul would be the same in both cases, but the Canadian Pacific has the advantage in as much as they would only require to build from 30 to 40 miles of new line. The mines on this range could, after the second year of their existence easily supply 500,000 tons annually, thus adding between the freight on the ore and carriage of supplies and passengers nearly a million dollars per annum to the company's gross receipts. No greater proof is needed of this than is found in the history of the Minnesota Iron Company and the Duluth & Iron Range Railway. The former commenced shipping in 1884, the output for that year being 62,122 tons, which steadily increased, until in 1889 they forwarded to market during the season of navigation about 800,000 tons. As long ago as 1886 when the ore carried only amounted to 307,948 tons, the railway earned enough to pay 6% interest on its bonded indebtedness of \$25,000 per mile, and sufficient besides to pay 12% on its total capitalization of

\$500,000. These facts of themselves prove that it is no idle dream to expect that within five years Port Arthur will be shipping a millior tons of ore per annum from the Atikokan and Gunflint ranges, in addition to the large quantity which must of necessity be smelted here into pig iron.

The growth of the iron ore trade of the south shore of Lake Superior cannot be better illustrated than by the statistics of the commerce of the Sault Ste. Marie canal, which in 1855 showed that 1,447 tons passed through; in 1865, 147,459 tons; in 1875, 493,408 tons; in 1885, 1,235,122 tons; while in 1889 it reached the grand total of 4,095,855 tons. These quantities are of course exclusive of shipments from those mines which find an outlet via Escanaba, which during 1889 brought the annual output of the Lake Superior mines up to nearly 7,000,000 gross tons.

THE CANADIAN LAKE TRADE

has not been as good this season as it promised. This was from a variety of causes. The shortage in the Manitoba wheat crop of 1888 and 1889 gave very little outward bound traffic for any steamers excepting the Canadian Pacific and Beauty Lines. Canadian boats were in consequence driven to the Chicago export corn trade, which was very large, and the railway coal carrying was done by American steamers, which took down cargoes of ore from Ashland and Two Harbors. A new traffic was initiated for the first time, viz, the transportation of 10,000 tons of coke, which was carried by boat from Cleveland and Buffalo to Algoma Mills and from there shipped to Sudbury by the Canadian Pacific. This coke is used for smelting the Sudbury copper and nickle ores into matte.

While on the subject of Lake Transportation it might be as well to draw your attention to the gross injustice which is being yearly perpetrated on your citizens in the way of

TOURIST TRAVEL.

No portion of Canada or the United States surpasses the Port Arthur district in its attractiveness as a summer resort. Not only is the climate perfect and health giving in the extreme but the scenery is unrivalled, the boating good, the trout fishing the best in the world, and we have, what no other town of this size has, first class hotels and good boarding-houses, in number and capacity sufficient to accomodate ten times as many people as annually visit us. It is an uncontradictable fact that neither the railways nor the steamboat lines display any energy worth mentioning in encouraging tourist travel, while the rates charged, not only to tourists but to our townspeople, are a glaring outrage. For more than twenty years have steamers been plying to Port Arthur and today passenger rates are higher than they were two decades ago, \$20.35 for a trip, by boat from Port Arthur to Toronto, via Owen Sound or Sarnia, occupying some 44 hours, is just as much out of reason as is \$30.00 for

round trip tickets from Toronto to Port Arthur. The passenger has the privilege while on the steamer of eating five meals and sleeping two nights in a berth. This is all the more absurd when one considers that on the Georgian Bay and Lake Huron the Great Northern and Canadian Pacific lines carry excursionists from Toronto to Mackinac and return for \$16 00, a trip of which (compared with a Port Arthur trip) the rail journey is the same, and the time spent on the steamer is longer, for about one half the money. What is the result? The number of excursionists who visit Port Arthur on each steamer is infinitesimally small, while the five steamers which weekly for three months of the season ply between Collingwood and Owen Sound and Mackinac, are crowded to their utmost capacity. Local rates are still worse than through ones, \$10.00 is the charge from Port Arthur to the Sault, a 20 hour journey, including two meals and a berth, while ten years ago when the run occupied several days, the fare was only \$9.00. When these rates are compared with tourist rates on Canadian steamers between Chicago and Montreal, what do we find? There the total charge per passenger for fare, meals and berth, is less than \$3 00 per day; here it is nearer \$3.00 per meal. We can never expect a good healthy summer travel to this country until this condition of things is changed, and it behooves this board to enter a vigorous protest, and to continue protesting, until something like justice is meted out to our town and district.

THE WINTER FREIGHT RATES

are even worse than passenger charges. As soon as the Lake closes "all rail" rates are nearly three times as much as the "lake and rail" during navigation; in other words, the charge is from \$1.82 to 87c. per 100lbs according to classification instead of from 60c to 30c. We can never hope for the successful establishment of wholesale houses here until this condition of things is changed and the change will only be brought about by competition, which the completion of the Port Arthur Duluth & Western Railway to a junction with the Duluth & Iron Range at the boundary will render possible.

This is the only important town in Canada that is without competition in

TELEGRAPH RATES

and it is likely to remain in that condition until a connection be made between the Port Arthur, Duluth & Western and Duluth & Iron Range Railways, when we hope for a Western Union service. As it is now the rates for messages to Ontario and Quebec points are 75 and 5c. for day and 50 and 3c. for night messages, excepting to places where the Canadian Pacific has no offices, they are then \$1.00 and 7c. and 75 and 5c. To Winnipeg they are 50 and 3c. and 30 and 2c. while the lowest rates to any United States point are \$1.00 and 7c. and 75 and 5c.

Such charges for telegraphing seriously handicap business men in their efforts to extend the trade of the town, and it is impossible being such a distance from eastern trade centres to get along without the liberal use of the telegraph wire, and to do this rates to Ontario points should not exceed 50 and 3c. and 80 and 2c., to Manitoba 25 and 2c. and others in the same proportion.

Since my last annual report the question of

THE ENLARGEMENT OF THE ST. LAWRENCE CANALS

has excited considerable interest and comment, not only from the press, but from the public men of this country. Since this board first took up the question, it has been discussed with more or less interest by other representative bodies. The improvement of the principal locks, excepting those of the Beauharnois Canal, is being proceeded with, it is true, but slowly, but even that is better than not at all. I regret that nothing has been done as yet in the way of improving the Beauharnois Canal, or constructing a new one to take its place, and as this is the largest uncompleted link in the system it will seriously retard the eventual completion of the much needed work.

From time to time newspaper reports say something of the intentions of the Government regarding it, but as yet their intentions have not materialized into actual work. It is time they did, and every effort should be put forth to have Parliament deal with this question and dispose of it. The enlargement and improvement of the canals will divert nearly the whole stream of western traffic to and from the seaboard by the St. Lawrence, and Montreal bids fair to be the most important of the Atlantic seaports of North America. Her citizens are at last awakening to the realization of this fact, and are grasping in their entirety the important questions of increased harbor accommodations, reduced port dues, and better facilities in every way for the increased traffic which must be theirs. For lack of sufficient canal accommodation Montreal has today to helplessly stand by and see American ports taking from her the import business of a large part of Canada, and almost all that of the Western States. The consequence is that outward bound ships demand and get higher rates of freight than from New York, and were it not for the great advantage which the St. Lawrence Canals, even with their limited capacity, possesses over the Erie system the Montreal ocean trade would be very light indeed. Improved canal accommodation means not only a general lowering of charges from Montreal to the centres of population on both sides of the great lakes, but an increased price received by the tiller of the soil for his products, and a decreased one paid by him for what he purchases.

There is considerable complaint about the progress of work on

THE SAULT STE. MARIE CANAL

when it is considered that during last season 2635 sailing vessels, 6501 steamers and 443 unregistered craft, with a registered tonnage of 7,221,935 tons, carrying 7,516,022 tons of actual freight, consisting of 1,629,197 tons of coal; 2,228,707 barrels of flour; 16,231,854 bushels of wheat; 2,133,245 bushels of other grain; 57,561 tons of pig and manufactured iron; 168,250 barrels of salt; 33,456 tons of copper; 4,095,855 tons of iron ore; 315,554,000 feet of lumber; 5,947 tons of silver ore; 33,538 tons of building stone; and 312,410 tons of unclassified freight, or general merchandise, passed through the single American lock between the 15th day of April and the 4th day of December, some idea of the enormity and increase in the traffic may be gathered. The slight accident to the cofferdam last fall shows what a little thing might paralyze the whole commerce of the great lakes, and how important is the prompt completion of the Canadian Lock.

While on the subject of canals it may not be inopportune to draw your attention to the celebrated

FORT FRANCIS LOCK.

When this work was started during the MacKenzie regime, the intention was to use the water stretches in connection with the then proposed method of building the Canadian Pacific Railway. When this idea of building the railway was abandoned, so was the lock, although a large amount of money had been expended. I am credibly informed that a very small amount properly expended would make the lock passable for large steamers. With the inexpensive improvements in the navigation of the Rainy River contemplated by the Dominion Government there would be uninterrupted navigation from Sturgeon Falls on the eastern end of Rainy Lake, to Rat Portage on the Lake of the Woods. By the building of 90 miles of the Ontario and Rainy River Railway from Sand Lake westward to Sturgeon Falls, Port Arthur would be brought within 150 miles of this immense stretch of navigable water, on which the distances are, approximately as follows: across Rainy Lake 53 miles; the Rainy River 80 miles; the Lake of the Woods to Rat Portage 72 miles, or to the Northwest angle of the Lake of Woods 48 miles. All this territory and its trade on both sides of the boundary would be rendered tributary to Port Arthur. There is today on the North American continent no other such an area of valuable territory, valuable not only for its immense forests of pine and its mineral resources, but also for the large tracts of fertile lands found on each side of the boundary which remains untapped by any railway system and without means of being opened up or developed in any way.

The recent sale of the

KAKABEKA FALLS

property to the Minneapolis-Philadelphia syndicate is likely to be of much importance to our district. The syndicate contemplate developing and utilizing to its utmost the magnificent water power of the falls. When we look to Minneapolis and see what the water power of the falls of St. Anthony has done for that city, and reflect that at the Kakabeka Falls a much greater power can be developed, it is impossible not to realize that a great manufacturing center may speedily rise within twenty miles of our town.

This district has been visited during the past year by many

DISTINGUISHED VISITORS,

notably amongst whom were His Excellency, Lord Stanley of Preston, Governor General of Canada, and the Honorable Charles Drury, Provincial Minister of Agriculture, both of these gentlemen, like almost every stranger who visits us, departed favorably impressed with the resources and wealth of this portion of Ontario.

Mr. Kirkpatrick's bill providing for

RECIPROCITY IN WRECKING,

after passing the House of Commons last session was thrown out by the Senate. It is probable that the question will again come before Parliament this winter.

While there is no reciprocity in wrecking and towing it is an iniquitous thing that such performances as were witnessed here last season should be allowed

I, of course, refer to the dredging of the Kamiistiquia, which is being done by the same contractor for years without any recent tender; and last summer not only were the dredge and crew foreign, but the tug doing the towing was likewise an American boat, and so employed while Canadian tugs were here laid up, and their crews idle, and in want of work. This matter should be thoroughly investigated and properly represented to the Government.

An agitation has been started throughout Canada for the removal of

THE DUTY ON MINING MACHINERY,

at least on all such articles as are not manufactured in Canada. This would certainly be a great boon to Algoma mining companies, and one that could not fail to be of material benefit in encouraging mine owners and aiding in the development of the district.

The number of visitors to the far-famed

NEPIGON RIVER

increases annually, since the completion of the Canadian Pacific Railway. The Nepigon is certainly the king of American trout streams, and it is doubtful, if the world has a stream, in which disciples of Izaak Walton can find so much sport. The fishing on this river is good for all time, if the necessary attention be given it; if not the next two years will see it badly depleted. At present American visitors only are charged a nominal fee for the privilege of fishing there. This is not right. If a fee be charged, it should be irrespective of nationality. I think it is clearly the duty of the Government to preserve the stream against the wanton slaughter which so often takes place. An overseer should be placed on the river during the season, who would travel up and down and prevent such practices as are bound to be injurious to the proper preservation of the sport. A thorough-going sportsman does no harm; he will not catch so many fish that they have of necessity to be left rotting on the banks, as has been the case often in the past.

THE CATCH OF LAKE FISH

has been better than usual this season. The fishermen complain of the scarcity of buyers, and the trouble there is to get their product to market. I think the method adopted at other fishing points of building freezers, in which the fish will be frozen and stored until winter, will have to be adopted for all the surplus catch, before the business will prove as profitable as it should.

It has been the custom, and is still, for the

CANADIAN FIRE UNDERWRITERS ASSOCIATION

to charge an additional rate, 50% on all policies issued at what is known as long distance points, which includes Port Arthur. When western business was booming this was not of much importance, but now that it is conducted on as fine a margin as in the east, there is no reason nor is it just that the people of Port Arthur particularly should pay 50% more for their fire insurance than do the inhabitants of eastern Ontario towns of the same class. As it is now, one third of the large amount sent east for premiums should remain in the pockets of our citizens and I estimate that the direct loss annually to this community by such over charge is \$25,000, or an amount sufficient to pay our whole municipal expenditure.

A LARGE AMOUNT OF BUILDING

has been done during the past year, and many handsome new public and private buildings in consequence adorn our streets,

and give to the town an air of permanence and prosperity which it hitherto did not possess. The evolution from frame to solid brick and stone buildings has been gradual, but it has been accomplished without the usual serious conflagrations customary to western wooden towns. It would be impossible now to have any serious fire, as the risk in cases where the blocks were entirely of wood has been materially reduced by erection of fire proof blocks.

OUR AGRICULTURAL AND MINERAL EXHIBIT AT TORONTO EXHIBITION

was quite up to the mark ; but it appears to me questionable whether such an exhibit of minerals is productive of any practical result. The people who visit the Toronto fair are not of the class which invests in mines or mining property. In nearly every case the richest specimens of silver would be passed over by them without notice or comment, and when it is remembered that the Port Arthur silver district produces the richest native and sulphide ores in the world, it is, to say the least, disheartening to exhibit it to an inappreciative audience. We want mining men, capitalists, and those whose experience renders them capable of judging of the great resources of this district, to visit us ; men who when they see a good thing know it ; not those who cannot tell sulphide of silver from lead.

The visit of

THE AMERICAN SOCIETY OF MINING ENGINEERS

would have done more to disseminate correct information about this district than half a dozen Toronto fairs. It was a grievous disappointment that their proposed trip was so unavoidably postponed in October, but I am pleased to note that some correspondence has been had with the Secretary, Dr. Raymond, with a view to having a regular meeting of the Institute held here, and that the project seems to be well received and likely to be carried out, though probably not earlier than 1891. Every inducement should be offered them.

PORT ARTHUR IS NOW A COMMERCIAL CENTRE.

It promises in the very near future to be a railway centre ; but before we can have that degree of prosperity to which we are entitled it must be made a manufacturing centre. We have all the necessary requirements, but the initiative must be taken by our people. A start once made, the remainder is easy, and comes naturally. The failure of the flouring mill negotiations has thrown us back a year ; and unless some organized effort

be made this winter we shall be thrown over another year before we realize it. I am still of opinion that the Provincial Government should aid in the establishment of a smelter, and that the town should liberally bonus a flouring mill.

I have to thank you, gentlemen, for your confidence and the honor you have conferred on me in electing me your president unanimously for the four years that have elapsed since the organization of this board, and I trust that there may be the same degree of cordiality, confidence and unanimity of feeling between my successor and the members of the board, as there has always been between us.

I have the honor to be, Gentlemen,

Your obedient servant,

THOS. MARKS.

President.



