

Second Annual Report

of the

BOARD OF TRADE.

of the

TOWN OF PORT ARTHUR

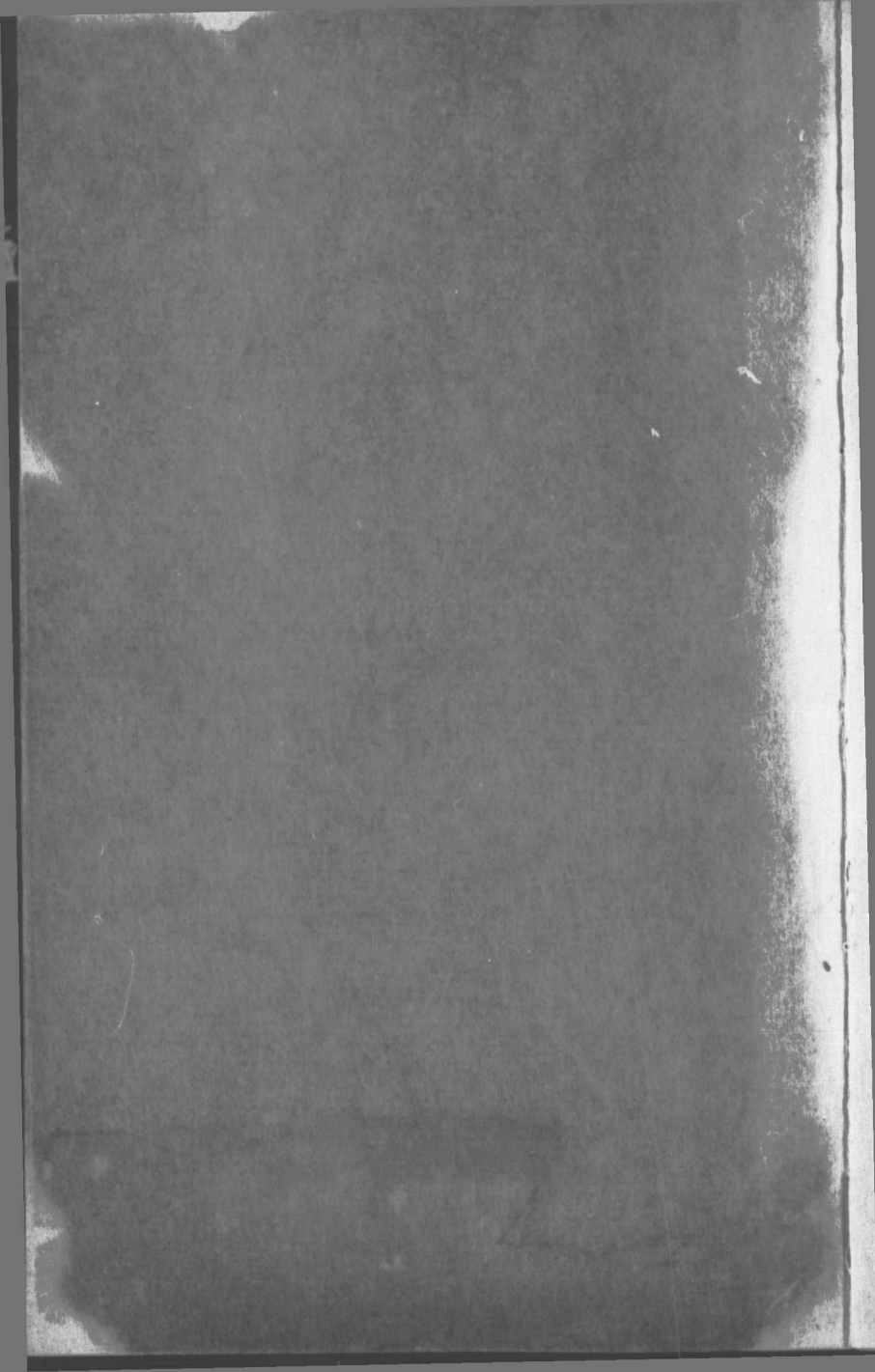
Adopted at the Annual Meeting of the

Board, held on the 26th day

of January, 1888.

Issued by Authority of the Board.

Herald Steam Print, Port Arthur.



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SECOND ANNUAL REPORT

—OF THE—
President of the Board of Trade,

—OF THE—
TOWN OF PORT ARTHUR.

1887.

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

GENTLEMEN,—Since the last report delivered you by the Vice-President, Mr. Geo. A. Graham, on January 25th, 1887, many important matters have taken place which I shall have occasion to refer to in this, my annual report. There are also many other matters of great interest which should attract your attention during the ensuing year. Port Arthur is now becoming well-known throughout Canada, United States and Great Britain as one of the most important shipping points on the great lakes, for the outlet of all the products of the Northwest Provinces of Canada, and for the great mineral resources of the Thunder Bay District and Western Algoma, and the recent development in mines in this district, which promises to be one of the most important factors in the trade of Canada, and of this Town and District in particular; for here it is that all the products of this District and the Canadian Northwest must be transferred from rail to water, thence to find their way through the great lakes and River St. Lawrence to the markets of Europe. A glance at the map of Canada will convince the most sceptical of the importance of this water system to the sea. During the past year Port Arthur has made important strides, and has good reasons to congratulate itself in the way of substantial improvements. Several large blocks of brick and stone buildings have been erected, a system of sewage well advanced, streets and sidewalks improved, a large extension to the breakwater completed, and important wharfage improvements contemplated by the Canadian Pacific to facilitate the shipments of merchandise, etc., during the ensuing year.

PORT ARTHUR.

as the Eastern outlet of the whole Canadian Northwest and the point for breaking bulk for shipment down the,

great lakes, its position is of the first importance, and not excelled, or indeed, equalled, by any other place. The export crop of wheat alone for 1887 is ten million bushels, to which may be added four millions more of oats, potatoes, barley, flax and several thousand beef cattle. Remember this is entirely the surplus of one Province, Manitoba, (except the bulk of the cattle which are from Alberta) and that Manitoba in July, 1887, only had one hundred and eight thousand people, and four hundred and fifty thousand acres under crop; remember also that in 1881, only six years ago, the Province did not grow enough wheat to feed itself, yet, now it is taxing to the utmost the fullest traffic resources of the greatest railway on the globe to carry its wheat surplus alone. The increase of population in 1887 was twelve thousand, and present advices show an enormous prospective advance for 1888. The increase of acres for crop of 1888, as given by four hundred Government correspondents, is thirty thousand acres, and the amount of fall ploughing was quite up to the average so that the export of wheat for 1888-9 will be much greater than that of 1887-8. Besides the flour and wheat, coarse grains and roots, Manitoba is already sending east, cattle, hogs and dairy products, all of which the west produces in as good or better quality and cheaper than Old Canada. In 1886, Manitoba exported seven thousand live hogs, and made five hundred thousand pounds of cheese. These are figures of promise, and those persons who have not looked into the matter may doubt, when told that Fort Arthur must yet be larger and a far more important city than Duluth, as the latter handles only the traffic of a portion of two or three States, whereas Fort Arthur tolls the whole trade of four or five vast Provinces, quite as fertile, or more so, than those tributary to Duluth. The great and growing west in turn will consume vast quantities of Algoma products which must be manufactured close near Port Arthur, such as pulp, and paper made from poplar wood, iron in various forms, manufactured from iron ores, mined in this vicinity, lumber and wooden ware, agricultural implements, and as Port Arthur and vicinity is well supplied with water power, extensive flouring, oatmeal and oil mills, also various other factories for working up the products of the fertile prairies must be built and established here; in addition to all these are the smelting works, foundries and other industrial operations caused by the development of our mineral resources, most of which in turn will find consumption in the west, all of which shows in the near future, Port Arthur must be one of the most important cities and manufacturing centres on the great lakes.

THE BANKING FACILITIES

of Port Arthur are now utterly inadequate to the demand for a more extensive monetary system to carry over the heavy wheat shipments which are now stored here to the extent of nearly three millions of bushels awaiting the opening of navigation, and which must quadruple itself in

the near future. Port Arthur is the place of transfer from rail to water, and should necessarily be the point where grain men and other shippers will congregate to move the Western products; the same system of financing should be inaugurated here that is being carried out in Duluth, Chicago and Milwaukee for tiding over grain in elevators and stores until it can be moved by water on the opening of navigation, and as that requires much larger banking facilities than we have here at present, other monetary institutions should be encouraged to establish themselves immediately, where large amounts of capital will be required and where the grain trade and other products of Western Canada must naturally centre. It is well-known that large amounts of money have been sent from Canada to American wheat centres through Western brokers to be invested in grain options. Could not this system be as successfully carried on here, had we the necessary banking facilities? Our wheat fields have proved to be just as prolific as theirs, and according to an American writer, will be more extensive in a few years, why then cannot the option system be as successfully conducted here, thus keeping the capital of this country within our own territory. The establishment of other banking facilities should receive your immediate attention.

CANAL ENLARGEMENT

is still attracting the attention of both Eastern and Western shippers and ship-owners, and the necessity of the enlargement of the St. Lawrence canals should be strongly urged on the Government this Session of Parliament, to at least a uniform size with the Welland canal, the locks of which are at present 270 feet long, 45 feet wide with a depth of water 14 feet. Considerable work has been done in various places on the St. Lawrence canals between Lacolle and Prescott during 1887, but judging from the slow progress of the work, it will take at least six years to complete the St. Lawrence system to the capacity of the Welland. The different Boards of Trade both East and West, and the Western members of Parliament should at once take up this important matter, and represent to the Government the great necessity of completing the enlargement of the St. Lawrence canals at the earliest date possible. The present capacity of the St. Lawrence system is inadequate to the vast wheat shipments of the West for 1888. Were these canals enlarged, grain could be carried from this port to Montreal at the same rate as it is now carried to Kingston, thus saving at least two cents per bushel now paid to the St. Lawrence barges, besides the cost of transferring from lake vessels to river barges; the large class of lake vessels, 2,000 tons capacity, could then ply between this port and Montreal, making the transfer direct to sea going ships, and bringing a return cargo back. The vast quantities of American grain and flour exported to Europe from Duluth, Chicago and other American ports which now passes through the Erie canal via New York would find its way by

the St. Lawrence route to the sea cheaper and more expeditiously than any other way, thus making Canadian territory the highway for American exports, and Montreal one of the principal sea ports of America; this would give the Western farmer two cents per bushel more for his grain and turn the tide of trade through Canadian territory.

CANAL TOLLS

which were recently abolished by the State Legislature of New York allowing all products to pass free to sea navigation through their system of canals, was also temporarily abolished by the Canadian Government, but from recent Government reports, the toll system is to be renewed again by the Canadian Government, during the coming season, thus discriminating against our shippers to the extent of 20 cents per ton or $\frac{2}{3}$ of a cent per bushel on grain; this important matter should be attended to at once by Canadian shippers supported by the Boards of Trade of Canada and the Western Provinces especially, and pressure brought to bear on the Government to abolish canal tolls throughout our whole water system. Canals should be free and no embargo should be imposed on cargoes passing through them. The American canals are free, we have to compete with them, therefore, our shippers should have a fair start.

THE MINERAL RESOURCES OF WESTERN ALGOMA

are now becoming well-known, as already stated, to capitalists throughout Canada, United States and Great Britain and through the recent developments of many of our leading mines and veins their permanency and depth have been fully established. The development of our mines is still in its infancy, yet sufficient work has been done during 1887 to prove the great mineral wealth of Western Algoma. The new mineral region lying between Port Arthur and the International Boundary of Ontario and the State of Minnesota was first discovered in 1885, and was perfectly astounding to the explorers, whose success led them on to a more extensive search, the result being that now we have one of the richest mineral districts in America, tributary to Port Arthur. The principal ores are silver, (both native and in the sulphides), gold, (free and in the sulphides), and the recently discovered iron beds in the vicinity of Gunflint Lake and Hunter's Island are already proving themselves to be as rich as the famous Tower mines, adjoining our territory in Minnesota, which shipped 350 thousand tons of ore during the season of 1887 to Two Harbors, near Duluth. The principal silver mines now being worked are the Beaver, Badger, Rabbit Mountain, Silver Mountain, Porcupine, Crown Point, Jercux, West Silver Mountain, as well as many other rich veins not yet sufficiently developed to prove their permanency, but the surface indications of which are good, and I have no doubt but many of them will prove fully as rich as their sister lodes on which more work has been done. Looking over the shipments of silver ore

since 1886, I see there has been nearly half a million dollars worth exported up to the present date, and the United States Consular Agent at this port informs me that during the season of 1887, there has been shipped \$250,000 worth of silver ore to the United States. Want of railway communication and roads have so far been a great drawback in the development of our gold mines, and only one, the Huronian, has been worked to any extent, it having shipped some \$7,000 worth of gold concentrates. Had there been railway communication established throughout this rich and comparatively unknown part of Ontario, I have no doubt but that the output of both silver and gold from the rich veins of the newly discovered district would have been four times as great as it is now. Suffice it to say the richness of our mineral wealth has been established and from it alone a great source of revenue must flow into this town. The energy and influence of this Board of Trade should be pushed to effect the establishment of railway communication with this district.

DUTIES ON SOFT COAL

should be abolished in order to foster the industries of Western Canada, as it is well known that the duty which is now 60 cents per ton on soft coal affects all manner of manufactured goods, from Prescott on the St. Lawrence in the East, to the Province of Manitoba in the West. It also affects the shipping interests of Canada on the lakes, and, in fact, discriminates against all Western Canadian industries, without benefitting the coal interests of Nova Scotia, any of which is seldom seen West of Montreal. Were soft coal free it could not possibly affect the Eastern Provinces of Canada, as American coal cannot be brought successfully into competition with Nova Scotian from Montreal, East. The duties on hard coal were abolished during the last Session of Parliament which may be considered a luxury whilst the duties on soft coal is still retained, which affects the interests of the country at large. Strong efforts should be made during the ensuing Session of Parliament by the manufacturers and shippers to abolish the duties on soft coal which should also be free.

THE PORT ARTHUR, DULUTH & WESTERN RAILWAY COMPANY

is now in a fair way to complete at least 50 miles of the road from Port Arthur, West, during the coming season, after the opening of navigation. They have already ten miles graded, 7 miles cleared and grubbed, with sufficient bridge timber and ties for at least 15 miles; the greater part of the surveys are completed showing easy grades and curvatures, light work not exceeding ten thousand yards to the mile, and no rock work for the first 50 miles. The surveys on the last 30 miles of the Western end have not yet been completed, but sufficient preliminary work has been done to establish the fact of its being easy, with little or no rock excavation. The whole length of the road is 86 miles from Port Arthur to Gunflint Lake, where the company propose

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joining the Duluth & Iron Range road on the International Boundary. A charter will be procured during the ensuing Session of the Dominion Parliament to cover the whole line from the points before mentioned, and the bonus of 86 miles already voted by the Government will be arranged to apply on the new charter. This Legislation and a new charter from Ontario must be obtained before the bonds can be placed on the English market. To the great necessity of this railway through our new mining territory, I would especially call the attention of the Board of Trade and Municipal Council of Port Arthur; it is of the most vital importance to the town and should be recognized by it in some substantial way. It is the artery by which all the resources of the new territory must flow to Port Arthur. Of its mineral wealth in silver, gold and iron, of its large areas of timber, aggregating over eight hundred million feet of pine alone, besides other valuable woods, and of its agricultural resources which have already been reported on by a Provincial officer. Strong efforts should be made during the present Session of the Ontario Legislature to get aid for this road. The Local Government have obtained large sums of money for the mineral lands through which it will pass, and it would still obtain much larger sums were the road in operation, for the timber alone to which the road would give access would amount to at least two million dollars, judging from the timber sales which recently took place in Eastern Ontario. Our Local Government should act as liberally, or nearly so, as the Government of the border States to the South of us, namely, Minnesota and Dakota. In those States in order to open up its isolated territory, the Government gave largely of its wild lands to aid State railways. The Manitoba road, and the Northern Pacific, and the Duluth & Iron Range received large gifts of wild lands to the extent of over twelve thousand acres to the mile, were our Provincial Government to give one-fourth of the number of acres or its equivalent in money to the Port Arthur, Duluth & Western, we should have no trouble in financing it, and at present there would be large amounts of capital invested in the country which is now kept out for the want of railway communication. This important matter should receive special notice.

THE EXPORTS TO THE UNITED STATES OF OUR NATIVE PRODUCTS for 1887, taken from a statement handed me by the United Consular Agent at this port, look very creditable, and promise well for the future, especially when we can get easy access to the interior of the country by railway and other means. This statement of course only gives the exports to the United States of our native industries, and are as follows, Fish, fresh and salt, \$32,375, raw furs, \$3,388, silver and gold in ore and concentrates, \$243,775, general merchandise, \$33,921, building stone, \$4,370, making a total of \$317,720. The wheat exports coming from the West through, and shipped on American vessels via Buffalo amounted to over \$300,000. I would particularly call your special attention

to the stringency of the Fishery Act now in force, which compels fishermen to lift their nets on the last day of October, and compels them to remain idle until the last of November, thus shutting them out of the fall catch, for after the close season expires, as it now stands, the weather is too cold to fish; the close season should commence the last day of October and end on the 15th day of November. It is well-known that the spawning is over on Lake Superior on the 15th day of November. Your attention should be particularly called to this branch of our native industry, and have it properly represented to the Government. Were the close season to end on the 15th day of November, the fishing industry would more than double itself.

APPROPRIATION FOR GOVERNMENT SUBSIDIES

should be urged by your Board during the coming Session of Parliament, and the attention of the Government directed to the necessity of an appropriation for dredging the shallow spots in our harbor so as to make a uniform depth of seventeen feet of water, also an appropriation for the extension of the Western portion of the breakwater. During the session of 1887, an appropriation was made of ten thousand dollars to apply on a suitable building to be used as Customs House and Post Office, this should be largely supplemented during the coming session, and the necessity of the work being proceeded forthwith urged.

THE FINANCIAL CONDITION OF THE BOARD

which is in a very fair condition, considering the time we have been organized, will be seen by referring to the Secretary's statement.

FUTURE PROSPECTS.

In conclusion, I may say that the past year has been a most eventful one in our history, the success of our Western wheat crop and the development of our mineral and agricultural resources warrants the future of Port Arthur and the prospects for the ensuing year are more promising than ever.

I have the honor to be, gentlemen,

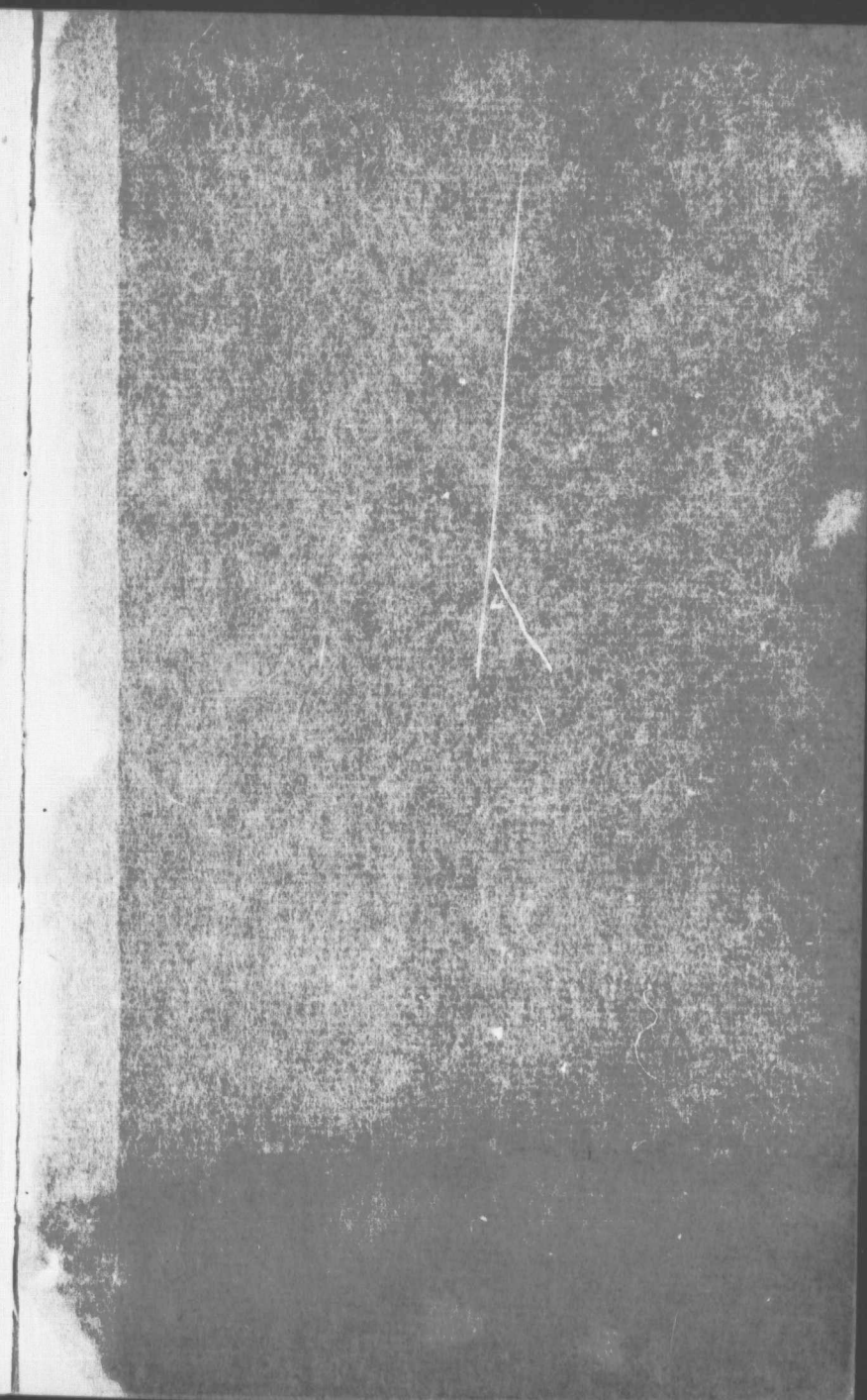
Your obedient servant,

THOS. MARKS,

PRESIDENT.

Port Arthur, Ont.,
January 26th, 1888.





Officers of Board.

1888

PRESIDENT.

Thomas Marks, Esq.

VICE-PRESIDENT.

Geo. A. Graham, Esq.

COUNCIL OF BOARD.

Mr. V. Bowerman.	Mr. F. S. Wiley,
" J. T. Horne,	" W. C. Smith,
" A. Squier,	" J. J. O'Connor,
" G. H. Macdonell,	" J. T. McKay,
" J. Meek,	" W. C. Dobie,
" G. T. Marks,	" H. A. Wiley.

SEC. TREASURER.

W. H. Langworthy.