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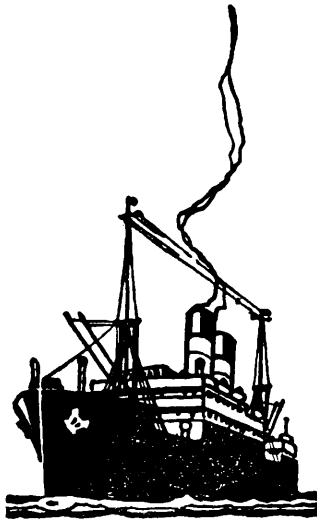
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The Harbour of Montreal



AN ADDRESS

Given on March 15th, 1932

— *before* —

The St. James Literary Society
of Montreal

— *by* —

GUY TOMBS

FOREWORD

*Mr. Chairman and Gentlemen
of the St. James Literary Society:*

I had prepared a history of the Harbour of Montreal which I understood was my subject, but in its preparation, which emphasized the struggles of our predecessors to obtain this great port, I felt obliged to also consider the future, and make some comparisons with the programmes and ambitions of competitors, with the result that I became convinced that we were facing a serious crisis in our commercial and transportation affairs and decided, at almost the last minute, to discard many of the references to the past and devote more to the future, and to the necessity of taking prompt action to maintain the position of the Port.

GUY TOMBS.

Montreal, March 15, 1932.

The Harbour of Montreal

A FAVOURITE story along the Glasgow docks, is that of the American who upon being somewhat proudly shown the Clyde, expressed his disappointment and, like Naaman of old, made invidious comparisons with certain rivers of his own country. "Mon," said his guide, "dae ye no ken, God Almighty made the Mississippi, but we made the Clyde 'oorsells?"

This ancient, authentic fable should have a peculiar significance and interest to us, the citizens of no mean city because, not only have we been blessed with one of the finest natural waterways in the world, but our sires as truly created the harbour of Montreal and the St. Lawrence ship channel, in which the example of the Clyde, the desire to compete with American ports, and the urge of vigorous Scotsmen, all played a part. Indeed, the elusive American trade, the effects of American, also of British policies, and the practical vision of the Canadian Scot will be more and more evident as the tale is unfolded.

When your committee invited me to prepare a paper on the Port of Montreal, I accepted with a great deal of pleasure, because of the high opinion in which I have always held the St. James Literary Society, my interest in and regard for the King of Waterways, and the great admiration and respect I have for the early pioneers of Canada, whose works do follow them.

I have experienced quite a number of difficulties in getting up this paper. First, the lack of time in which to prepare something really worthy of this "Academie"; then the difficulty of knowing just what to keep out; and finally the daily struggle with "la crise mondiale," which has restricted my researches whatever its effect on poets and peasants.

It is impossible for me to refrain from admitting at once that it was a source of pride, when I approached the Harbour Authorities for permission to look over some of their records, to be told "Your son's book, issued by McGill five or six years ago, is the best thing we have". I was interested to note in re-reading his book, that he anticipated the present situation rather considerably by demanding that the City of Montreal, the Harbour, the Board of Trade and the Chambre de Commerce make an effort to secure more business for the port and that definite steps must be

taken to retain and exalt our position in the commerce of the world. Elsewhere he insists that "A definite national transportation policy is imperative, which will place the general good of Canada above local considerations". The preparations of Oswego and Albany were indicated, and also the threat of Soviet grain.

THE GATEWAY OF A CONTINENT

It is difficult, if not impossible, to separate any discussion of Montreal or its harbour from the St. Lawrence, and I therefore urge my hearers never to forget that although Montreal has grown and prospered as a transit point, one has only to visit the sleeping cities of the Low Countries and some of the old Hanseatic ports to see what invariably happens when trade routes are changed and ports decay.

From time immemorial the River St. Lawrence has been the natural gateway of North America, and may have been known to early Norsemen. The Gulf certainly was well known to the Basque fishermen.

Almost 400 years ago Jacques Cartier sailed up the St. Lawrence until he reached Hochelaga, 1,000 miles from the sea. Wherever he went he found that the waterways were the roads of this vast country. Indeed, he actually said so in his letter entitled "The Story of the Province of Quebec"—"Y a une riviere forte profonde a courante qui est la riviere et chemin du royaume et terre de Saguenay", but of course the story of the exploration of New France by Jacques Cartier, master pilot of St. Malo, is well known, and also that it took him about two weeks to make the journey from Stadacona to Hochelaga, where he himself says "And we having arrived at the City of Hochelaga more than 1,000 persons presented themselves before us, men, women and children alike, which gave us good reception as ever father did to child, showing marvellous joy". We are indebted to Jacques Cartier for the name, Mont Real, as every school boy knows.

The great Samuel de Champlain, who had founded Quebec in 1608, established a fur trading settlement on this island in 1611, at what is still "la Place Royale", and therefore founded the first European settlement here and chose the site of the harbour and port.

This trading post was likely suspended after the capitulation of Quebec in 1629 but in 1636, at the annual meeting in Paris of the One Hundred Associates, the Great Company which control-

led New France, the Island of Montreal was turned over to private owners and a few years later la Societe de Notre Dame de Montreal was organized and a fortified town called Ville de la Marie founded by Paul de Chomedey, Sieur de Maisonneuve, after objections from the Governor of New France at Quebec, and a few worries over the title deeds, which indeed are occasionally still to be met with.

Ville Marie de Montreal was founded in May 1642, on the river front, with the object of establishing, not a trading post, but a missionary centre for the christianizing of the Indians, Cardinal Richelieu having designed that New France was to become a purely Roman Catholic country, presumably for reasons of state as well as of religion. Undoubtedly Montreal was also intended as an outpost against the Iroquois; indeed its townspeople bore the brunt of the Indian wars practically single-handed. I am surprised that more honours have not been paid to the memories of those heroes who saved New France more than once from total extinction. To the new Montreal came Indians bartering furs. From Montreal missionaries of the Cross, explorers and "coureurs de bois" blazed their difficult trails up the St. Lawrence and the Ottawa to the Great Lakes and beyond; down the Ohio and Mississippi to New Orleans and the Gulf of Mexico; Montreal became the mother town of the new world, exceeding the capital in activity and population. All the great adventurous figures of French Canada were to be met with on the streets of Montreal.

The site of the City and Harbour was selected by the most experienced navigators of France, in their urgent search for the westward passage to the far famed Cathay. Indeed Champlain had previously made many voyages to the West Indies and had suggested in 1601 the building of a canal through the Isthmus of Panama, which he said would shorten the journey from the Pacific to the Atlantic by more than 1,500 leagues. A wonderful network of inland waterways extended from Montreal through New France down to Acadia and around to Louisiana, off to the far west and southwest and up to Hudson Bay and even the Arctic Ocean.

There were no roads in New France and but one highway, the great river. In 1674 some 800 canoes from the upper country arrived for the annual trading. In 1931 Montreal received 4,000 inland vessels with a net registered tonnage of 3,770,753.

Little is known about the activities of the port during the French régime, most of the exploration being westward, but Montreal did not ignore entirely the sea, because we find Pierre Lemoyne d'Iberville of Montreal capturing British forts on Hudson Bay in the reign of Charles II.

Champlain's "Don de Dieu", a barkish looking one hundred tonner, held the Transatlantic record for more than a century, her champion run from Honfleur to Tadoussac, taking only 18 days, anticipating some of the sailing records made long afterwards by Nova Scotiamen.

(Three Quebec built vessels ran Quebec-West Indies-France-Quebec round trips in 1670; Talon, the Intendant, had a 500 tonner on the Quebec stocks in 1672 and reported the employment of 350 hands in shipping yards there.)

Navigation on the St. Lawrence, was difficult, owing to the scarcity of charts, lights and buoys to mark the channel. Notwithstanding this, trade was carried on with the Indians and services existed between Montreal, Three Rivers and Quebec during the seven open months of the year. The first real chart of the St. Lawrence River was drawn in 1759 by the great navigator, Capt. James Cook, who charted the river between Quebec and the sea for Wolfe's expedition. 120 years after its foundation "l'ancienne régime" gave way to the British and the bilingual character of Montreal had begun.

Under early British rule vigorous Scotsmen inspired the fur trade to new and widespread enterprises in the northwest. Banks, warehouses, ships, canals and railways were the creation of these industrious, keen, far-sighted men. All big business was under Anglo management. The country French Canadians had remained farmers and fishermen along the St. Lawrence, with the usual proportion of voyageurs and traders in the wilds. The famous fur lords and other leading merchants of Montreal and the principal timber merchants of Quebec were all English speaking. Indeed Denonville found English traders in Montreal as early as 1685.

EARLY HISTORY

In 1824 two stone windmills marked the progress of industrial development to the West of what is now McGill Street, being situated at the top of the open beach, and one small wharf, 200 ft. in length, in the position of the flood wall of today, opposite the present Harbour Commissioners' office on Common Street,

provided accommodation for vessels of nine feet draught. Another irregular wharf, known as Berthelettes, was situated between the Harbour Commission's office and the old Customs House at the corner of Youville Square. The draught of Lake St. Peter was limited to 11 feet, although even that depth was not available in the Harbour of Montreal.

Modern Canadian trade routes developed from sailings in 1819 between the Clyde and Canada by the small 169 ton brig *Jean—Captain*, Alexander Allan, an Ayrshireman, who had commanded vessels in the Peninsular War. The regular connection maintained for so many years, began in 1825 with the brig *Favourite*, built in Montreal, which was also under his command. In October 1818, the S.S. "CALEDONIA" (there is record of a ship of that name owned by the Allan Line in 1825) took three days for the voyage from Quebec to Montreal, and 42 oxen were required to assist her in ascending the current. Some of the Allan line boats were the finest crossing the Atlantic, notably the old "Parisian" which many of us remember. (The Allan Line was absorbed by the Canadian Pacific Railway on January 1st, 1916.)

David Munn built the first ships in Montreal about the year 1806. These vessels being from 200 to 350 tons cargo.

A couple of generations ago half the population of Quebec City were dependent on her shipping, and just before Confederation this country was the fourth ship owning country in the whole world; in 1930 Canada stood tenth. (If the Canadian Pacific Atlantic fleet were registered in Canada we would doubtless occupy a higher place.)

Nor *must* we forget the steamers. Canada's record in the early days puts them among the world pioneers. Canada's first steamer the "Accommodation" was built by Hon. John Molson of Montreal and plied to Quebec in 1809, only 8 years after the first steamer in the world ran on the Clyde, and only two years after the first one in America, Fulton's British engined "Clermont," ran from New York to Albany. The Montreal built "Swiftsure" by Hon. John Molson, engined from England, was used as a transport in the war of 1812, and in 1836, the Montreal built "Canada" was the largest and fastest steamer in the new world. The famous steamer, the "Royal William", was built at Quebec and engined at Montreal, being the first vessel in the world to cross any ocean entirely by steam, from Quebec to London in 1833.

It is perhaps worthy of remark that although the French Canadians were exceptionally good rivermen, also fine wood and iron-workers and enjoyed a world wide reputation as excellent boat builders, and the French Canadians also really controlled the navigation of the river between Montreal and Metis, because of their control of the river pilotage, which was, and is, practically hereditary, the officers, crews and passengers of the sea-going ships were, and are, English-speaking, in the main, and the cargoes entirely controlled by English-speaking merchants. This is all the more curious because for 100 years the great wood sailor age had made Quebec one of the most thoroughly nautical cities the world has ever seen. This division of labour and commerce can be better appreciated if one recalls that when a new jail was built in 1806 on the opposite side of Notre Dame Street near Nelson's monument, the Montreal Northwest Company and other merchants wanted a land tax to pay for the jail but the land owners, in other words the French Canadians, preferred a tax on imports and feelings ran high for some time.

There is another anomaly in that the entrances to our great River St. Lawrence are controlled by a sister dominion, which however permits us to maintain the lights and aids to navigation. There are also certain water and other international problems west of Montreal.

The Port of Montreal has had to contend with two natural enemies, ice and water, oftentimes not enough of the latter, sometimes too much. Even Maisonneuve reported spring floods which were only assuaged by his planting the Cross on the bank of the River. In April 1759, General Montcalm entered in his journal that he had witnessed an ice shove which had battered the Chateau de Cellire and one year "It bore down the walls of the town".

My first recollection of the Harbour was being taken down one spring nearly 50 years ago to see an ice shove. In fact the condition of the ice, if it would be strong enough for the ice roads which brought in the habitants of the south shore, or when it would move in the spring, were apparently the chief topics of winter conversation for most of the citizens of Montreal, not so long ago. Instead of asking "What is the matter with the Maroons?" or, "How's the market today?", the questions were "Did you see the ice shove?", "Will there be a flood?"

(I was quite interested last summer to note that many worthy citizens of Geneva, on clear days, still greet each other with the century old momentous question, "Bonjour, avez-vous vu Mont Blanc?")

The pressure of ice in motion is invincible, but the modern high level wharves are now well protected by the guard pier and the operations of the government ice-breakers.

I must refer briefly from time to time to the development of the canals and the railway systems which were, of course, necessary to feed and develop the port, but as early as 1825 the Lachine Canal had been completed and there were more steam boats on the St. Lawrence than in the whole of the United States. (The first Welland Canal was opened in 1829.)

DETERMINED STRUGGLE FOR DEEP WATER

The merchants of Montreal, realizing that trade and progress depended upon transportation facilities, formed an association in 1822, which was known as the Committee of Trade. Many of the improvements made to the harbour works, the establishment of the first Harbour Trust in 1830, increasing the depth of the channel, the encouragement of larger vessels and other like advantages, including the movement for better town government, were due to this organization which was the predecessor of the Montreal Board of Trade.

Agitation for a St. Lawrence ship channel was initiated in February 1826 when a petition was read before the Legislative Assembly of Lower Canada, urging the necessity of improving the means of communication between the Canadas and Europe. The petitioners stated that, according to their survey, the obstructions in the St. Lawrence and in Lake St. Peter could be successfully removed for a length of 7 miles, a breadth of 75 feet, and to a depth of 16 feet at low water, at the cost of £36,000 currency, which included the maintenance of a channel for three years. The merchants of Montreal were unanimous in pointing out to the Government the enormous losses to the trade of Lower Canada resulting from lighterage over the shoals of Lake St. Peter. No action was taken by the Legislature, and in 1836 the merchants of Montreal again presented a petition praying for a grant of money to carry out an accurate survey of Lake St. Peter and the river as far as the port of Montreal. The paltry sum of £520 was granted two years later.

On May 8, 1830, the Hon. George Moffatt was appointed the first Chairman of the Montreal Harbour Commission with two other commissioners under the Great Seal of the Province of Lower Canada. The appropriations for the first three years amounted to £81,000 or approximately \$400,000. At the end of this period there was no provision for further improvements, the revenue was suspended and the dues were evaded, with the result that the whole staff was discharged, except the Secretary, whose services were retained at a reduced salary of \$250. This was the first attempt to improve the Harbour of Montreal by a Commission.

In 1841 another petition was presented to the Assembly and in 1843 a sum of money was voted to deepen the channel to 14 feet and some \$320,000.00 expended without any practical results.

The propeller was now taking the place of the sailing vessel and the St. Lawrence was open to American trade, and the shrewd Scottish merchants saw that Montreal would become the outlet for some of the trade which was rapidly overcrowding the capacity of the enlarged Erie Canal and the American railways extending between the Great Lakes and the Atlantic.

The rest of Canada seemed to be indifferent as to where the principal ocean port was located, therefore the deepening of the St. Lawrence between Montreal and Quebec was a local or "Montreal" question. This consideration appears to have influenced the Legislature to abandon the Province's attempt to deepen Lake St. Peter in 1847. Quebec, which had been foremost in the timber trade and building of ships, whereas Montreal had been the headquarters of the fur trade and the commerce with Upper Canada, did not go out of its way to favour the ambitions of the merchants of Montreal. Indeed, it is interesting to note that as far back as Jacques Cartier's time, we read that in Stadacona the Indians, no doubt wanting to keep the trade for themselves, strove to discourage him, namely Jacques Cartier, from going up the river to Hochelaga, where the great timbers were, telling him that their gods had sent them warning that there was so much snow and ice at Hochelaga that the voyageurs would all surely perish there, this being in the month of September.

Although exports of wheat and flour were being made from St. Lawrence ports to Newfoundland, Cape Breton and the West Indies before 1763 and a few years later to Europe, and both

Ontario and Quebec had developed considerable export business, the canny Montreal merchants were apparently after bigger game. We of a later generation realize that the harbour of Montreal still requires a share of the earlier ripening wheat and corn of the American Middle West.

The extension of a deep water port on the St. Lawrence 160 miles above the traditional port of Quebec, involved the consideration of the problem "where can the sea and the inland trade of the St. Lawrence most economically meet? Should the lake propeller (the smaller craft) descend to the lowest possible point to meet the Atlantic ship (the larger vessel) or should the latter ascend to the highest possible point?" The Board of Trade of Montreal and many other influential citizens continuously endeavoured to induce the Government to resume the work on the channel between 1847 and 1850. In the latter year the Hon. John Young, who was the real founder of the port, proposed a new plan for the deepening of the St. Lawrence, which was approved and adopted by the Government, Young being appointed a Harbour Commissioner, and in August 1850 the St. Lawrence ship channel was placed under the jurisdiction of the Harbour Commissioners of Montreal, who selected a Board of Engineers composed of General William Gibbs MacNeil and Captain John Child, distinguished American Civil Engineers, and Casimir Gzowski, an eminent Polish engineer, then resident, I believe, in Toronto.

On November 2nd, 1851, the S.S. "CITY OF MANCHESTER" was loaded down to 14 feet, the depth on the "flats" then being 12 feet, and steamed through Lake St. Peter without slackening speed. By the summer of 1852, the channel had been widened to 150 feet, and in November operations for dredging the channel to 15 feet at low water were completed.

I have already intimated that the success which attained improvement to navigation on the Clyde was a great inspiration and encouragement to the thrifty Scottish traders and merchants of Montreal, who could just as truly be said to have created the St. Lawrence ship channel now so highly coveted. The eminent Harbour Engineer, Thomas C. Keefer, referred very extensively to these River Clyde improvements in his report to the Harbour Commissioners of Montreal for the year ended December 31st, 1854, "because," he said, "there is a manifest analogy in the position and conditions of Glasgow and Montreal."

It was a tremendous job to get anything done. On going through some of the records I noted for example that on September 29th, 1858, the Harbour Engineer was instructed to prepare an estimate of the cost of the extension of the revetment wall down to the Military Hospital, which he suggested should be limited to the ramp leading down to the wharf at the place called the "Black Horse", a somewhat significant name, but possibly in order to play no favourites, he explained that he had "drawn out the works as far as Molson's."

Private and municipal properties were involved, and although I have laboured through the minutes of the Commission up to 1876 (18 years later) they were apparently still corresponding with the City of Montreal on the subject. However, as a revetment wall was finally built and the Military Hospital removed, it is safe in assuming that a satisfactory agreement must have been ultimately reached.

To be a Harbour Commissioner in those days was no sinecure, with the river channel, the "pilotes" and the docks to look after, the applications from the new railway lines for connections with the wharves, the widening of streets, and riparian rights and boundaries, together with an occasional investigating commission, which, as you all know, is a fine old custom still observed in countries like China and Palestine wherein experts from more favoured lands are brought in to tell a country what is good for it. One thing in favor of most of those early commissions was that they were not often post mortem affairs.

It is generally understood that the jurisdiction of the Harbour extends down the river from the mouth of the canal to Bout de l'Isle, but in reality the Harbour authorities control the frontage from the mouth of Little River St. Pierre (the tail race of the old waterworks) down the river shore and under Victoria Bridge via Windmill Point to the end of the Island, and also on the south shore up to the high water mark, in St. Lambert, Montreal South and Longueuil.

In the early days and governed by the Quebec Act of 1837, the Port of Montreal included the St. Lawrence River from Portneuf west to the Province Line, the river from Portneuf to Bic being under the Port of Quebec.

The completion of the 20 foot channel in 1865 marked an important era in the history of the St. Lawrence route and amply demonstrated that the St. Lawrence could be made available

up to Montreal for navigation by large ships, and the marked increase of Canadian commerce shows how imperatively it was required.

IMPROVEMENTS IN TRANSPORT

The extensive programme of Canadian canals from Lachine to Sault Ste. Marie undertaken in 1840, the construction of the St. Lawrence ship channel in the 'fifties, the railway extensions, and the first Victoria Bridge at Montreal in 1860, are striking evidence of the courage, resource and foresight of the Canadas in years of acute commercial depression before Confederation when the population was small and scattered. The granting of bonding privileges by the United States in 1845 drew much traffic from Canadian to American routes, the ocean rates from New York being for many years much lower. The majority of vessels arriving in Montreal came in ballast; owing to this fact and the British preference for Canadian timber, rates were very high. The repeal of the Corn Laws in 1846 had ensured the adoption of Free Trade in England, which meant the collapse of the old Colonial System. Peel's opponents declared that the new policy would drive Canada into the American Union, and they advocated the extension of the Free Trade principle to the colonies as well. In 1849, the year of the "Annexation Manifesto", signed by 325 prominent Montreal merchants urging annexation to the United States as a panacea for Canadian ills, the repeal of the Navigation Laws removed the chief handicap to the freedom of Canadian trade. English Free Trade had practically destroyed the trade of the St. Lawrence, the almost immediate result of the repeal of the Navigation Laws was a reduction in freight rates from Montreal and Quebec to the United Kingdom. It had rightly been predicted that while Free Trade in corn had taken away a large part of St. Lawrence commerce, Free Trade in shipping would restore it.

Through the exertions of the Hon. John Young, an Act was assented to on May 23rd, 1873, granting a loan of \$1,500,000 for the completion of the ship channel to a depth of not less than 22 feet at low water. However, there was no holding our ancestors in the brave days of old, and the Commissioners, on November 2, 1874, resolved to deepen the channel from 20 to 25 feet at lowest water.

HARBOUR INVESTIGATION 1875

In 1875 the Harbour Commissioners adopted a resolution which pointed out the urgent necessity to deal at once with the

subject of harbour improvement on a comprehensive scale, and decided to refer the whole subject to a Commission consisting of three engineers of prominence for a final report.

Reference was given to the advantageous commercial position with a brief history of the river and harbour improvements and quotations from reports of engineers, some of which have already been referred to in this paper, such as Messrs. Gzowski and Keefer in 1851, McAlpine, Child and Kirkwood in 1857 and John Trautwine of Philadelphia in 1858, and others. The Commissioners drew attention to the rapidly increasing trade of this Continent, especially of Western Canada and the Western United States. That in 1854 the tonnage arriving at the port of Montreal from the sea was 72,305 whereas in 1874 it was 956,837, and the revenues of the port from harbour dues had grown in the same period from \$64,000 to \$280,021. That the St. Lawrence was a natural outlet for the Western and South-western United States and the distance from Chicago or any other lake port to Liverpool much less via Montreal than via the Port of New York, etc.

The engineers of this particular commission were Robt. Bruce Bell of Glasgow, Major-General Newton of the United States Corps. of Engineers of New York and our own Sandford Fleming of Ottawa. It is very interesting to read over the records of these hearings which were very comprehensive, the whole subject was gone into in the greatest detail and opinions obtained from every branch of commerce, save banking. (The rise and fall of the financial wizards was still to come.) The coal trade said that the various railways were having to look to coal because of the depletion of the forests and that there was no accommodation for this great trade as the wharves were to a large extent encumbered by lumber. The lumber trade in turn did not care how far they were put away from the coal trade because the coal damaged the lumber. They were willing to go down to Hochelaga but must have felt they had some rights because in 1873, 68 vessels were loaded with approximately 32,000,000 feet, most of it sawn timber from Ottawa, for the River Plate—a trade which disappeared many years ago.

In fact, the character of the imports and exports was and is continually changing.

Complaint was made that the expense of the river towing was such that purchases of lumber were being diverted to Boston and New York.

The iron and the hardware merchants were positive that larger ships could carry cheaper than smaller ones, but the steamship men would not admit that, asking "What is the use of making them larger when you have not got the water to float them?"

The railway iron used for construction by the U.S. Western Railways was being largely imported through Montreal at this time.

There were the usual complaints about never having seen business as dull, and the trade in pig iron had practically dropped.

Mr. Watt of the Allan Line, whom I remember very well, testified at length, and full details of the cost of moving grain were given by this wonderful old man, as I conceived him, including the cost of running the small schooners and steam propellers of the river boats from Kingston. Even in that period the inland vessels were seriously delayed in discharging, because he says "There are general forwarding companies engaged in this business. Altogether they have transported from Kingston to Montreal during the present season of navigation from May 1st to October 1st, 5½ million bushels of grain whereas they have capacity to carry and could easily have transported three times as much or say 17,000,000 bushels. I may here very appropriately call your attention," said he, "to the liberality of Parliament in having provided our magnificent system of artificial navigation from hence to Kingston, a system which is unsurpassed by any similar work in the world and which from the lowness of the tolls may almost be said to be a very gift to commerce. (All canal tolls were abolished at the end of 1903). The same, the immense surplus of accommodation for the express purpose of preventing blocks has also been provided by private enterprise by the owners of the grain warehouses at Montreal". There were 7 distinct warehouses with accommodation for upwards of 2½ million bushels. "Very contrary to all this", he said, "has been the course of the Harbour Commissioners. No such liberal accommodation has ever been provided by them. On the contrary with high tolls and with a constant surplus of revenue, the accommodation provided has always been poor and deficient and

in cases of a press of business the breakdown has been most lamentable. I have one instance in my mind which is a matter of public notoriety, to wit: The autumn of the year 1871, when so many vessels were caught by ice in the St. Lawrence, many of them wrecked and others detained until the following spring. Three vessels belonging to the Allan Line, the "ARDMILLAN", the "PAMONA" and the S.S. "GERMANY" reached Montreal on the 6th, 11th and 13th November respectively. With berth room at once available, these vessels might easily have been discharged and loaded in 3 or 4 days, such despatch being regularly given whenever required by the Messrs. Allan's wharves, but for lack of this berth room, notwithstanding the most strenuous efforts of their owners, and the fact that their loading cargoes were awaiting the vessels' convenience, it was the 24th of the month before they were able to clear from Montreal. The consequence was that the "GERMANY" barely saved herself by slipping through the Traverse to the sea with the last open ebb tide, but the "PAMONA" and the "ARDMILLAN" were caught, their tow boats had to run for shelter and the vessels themselves were frozen in; the "ARDMILLAN" in company with other vessels being a total wreck. The losses that season, without doubt, amounted to more money than the entire cost of the needed accommodation."

(Our Montreal merchants were evidently much more articulate in those days than at present. Now, that gift seems to be entirely in the possession of the Maritime and the Western Provinces.)

Mr. Watt strongly advocated a permanent scheme which would provide for a regular and continuous increase, and deep-water berths suitable for the largest class of vessels and high level wharves above the high water mark, which would permit the construction of permanent wharf structures as are common in most seaports.

In the main testimony, it was said that the gentlemen in the grain trade at Montreal held it with a very frail grasp, and that they must be careful not to undertake anything which would involve a heavy tax upon the trade, otherwise the grain would go to New York.

One frequently suffers from those speeches of our quasi-public men, which insist on detailing Canada's magnificent resources. To such orators I am glad to recommend these words of a sturdy Mr. McLennan (probably ~~Bartlett~~ McLennan) whom

HUGO

many of you must remember. "It is pleasant," said he, "to talk in after dinner speeches about the magnificent St. Lawrence but it simply brings us what we reach out after and what the closest calculation will bring us by competing for and by a slight mistake it would pass us."

I am sure you will also be interested in a brief extract from the concluding portion of Mr. McLennan's examination by Mr. Sandford Fleming:

Mr. Fleming: "Apart from Montreal interests altogether, what do you think of running barges to Quebec and loading the ocean ship there instead of bringing the ocean ship up here?"

Mr. McLennan: "You have got to take things as they are. I don't know but that has risen from the enterprise of the people. The trade has been localized here and Quebec cannot interrupt it."

As an instance of this Mr. McLennan cited Milwaukee and Chicago. Although Milwaukee was 90 miles nearer the Eastern point, more grain was lightered for Buffalo at Chicago than at Milwaukee. It was the same thing here. A man might take a vessel to Quebec, but when he got there he would find there was no wheat.

Mr. Fleming: "Is it not because it is absolutely better to bring the trade here?"

Mr. McLennan: "No, they (Quebec) have got the timber trade; some gentleman here said 'Why cannot we have it here as well as they?' Simply because they have already established it there. The whole system of trade adjusts itself to the question of trade as it grows. There are certain things that might have been — that time has gone by and you cannot go back. For instance, Milwaukee might be Chicago, but the time has gone by."

Mr. Bell: "It is the same with the Clyde and Glasgow."

It is interesting to us of the present day to read of all the accommodation which was required for cordwood which reached Montreal in barges. There were adverse comments about the towage and wharfage charges, Mr. Workman making the broad statement that the wharfage charge was driving millions of dollars of imports away from Canada every year. That Upper Canada importers would not pay it and they often used New York. Undoubtedly one of the chief handicaps of Montreal was the towage charge for bringing sailing vessels up the river, which towing sometimes began fully 260 miles below Quebec. Mr. Workman, M.P., the founder of Frothingham and Workman,

seemed to have been a conscientious objector to the proposed high level wharves and permanent warehouses because of the additional dues which would ensue. He must have anticipated that the serious menace to trade caused by increased dues, tolls or taxes would frequently be ignored by the enthusiastic boards, transportation officials or politicians of the day. It is often realized, too late, that the lower the cost, the wider the circle in which business may be transacted.

Most of the grain men wanted more piers, deep water, bigger boats and more of them, although one of the grain men thought it was a waste of money for a very long time to come to deepen the locks on the St. Lawrence Canals to 14 feet. His theory being that the lake, river and ocean transportation were three distinct branches and could not be combined in one. His idea of the most economic way of conducting grain carrying trade was by bringing large lake vessels and propellers to Kingston and then forwarding in barges of 15 to 20,000 bushels capacity to Montreal because he said these barges could come into any part of the harbour and are much more economical than larger vessels and are not so costly and could wait here for unloading, whereas a propeller of 40,000 bushels would cost \$100,000.00 and to make them profitable, they would have to keep them always running, which would be impossible. He was very insistent on breaking bulk at Kingston and that it would never do to bring large propellers here. On being asked why the barges should not come on to Quebec instead of stopping at Montreal, this particular witness stated very fairly that he knew of no reason except that the trade was prepared for it here.

The President of the Corn Exchange stated at these hearings that the great object of deepening the Welland and St. Lawrence canals was to enable vessels of large size to come through to Montreal without breaking bulk, thus avoiding transshipment. A rather different view from the other man. That the prices rose and fell in the grain trade, sometimes in a period of ten days, enough to make a man's fortune or ruin him entirely, as the case might be, and it was very important that the risk of these fluctuations while in transit should be reduced to the shortest possible time. Grain shipped in sailing vessels occupied on an average 20 days from Chicago to Montreal and by propeller about one-half of that time, and that the saving of 10 days' interest was also a matter of very considerable importance. As a mat-

ter of fact both views were correct, depending on the condition of the market. When it is sluggish as it has been and may be expected to remain for some time, there are tremendous delays to and congestion of lake vessels in the harbour, for weeks at a time, because there is no demand for the grain.

It is curious to note that in those days all the grain referred to was American grain, which Montreal merchants were handling via the St. Lawrence and looking for more; nowadays all the discussions are about the enormous amount of Canadian grain which goes through New York and other American ports instead of via the St. Lawrence or the Maritime ports.

The Hon. John Young was, of course, one of the principal witnesses. He freely admitted the delays in Montreal and the disadvantages and necessity for improved accommodation. In fact, the whole investigation was probably brought about by his efforts. He was very insistent on a connection between Lake Champlain and the St. Lawrence by canal through Caughnawaga and quoted various mileage statistics to show that Montreal should be one of the distributing points for New England, compared with the Buffalo and Oswego routes.

In his testimony the Hon. John Young also described the rising land beyond Ile Ronde and St. Helen's Island and alluded to a bridge which was contemplated across the river at that point. He explained that this was to be a bridge for passengers on foot and in carriages as well as a railway bridge. This bridge thus contemplated in 1875, was opened in 1930.

There were suggestions that the docks should be at Hochelaga, and other suggestions that they should be at Point St. Charles. But the majority of the people were of the opinion that they should be opposite the centre of the City in order to save cartage. The evidence shows that there was apparently a Wellington Bridge congestion even at that time.

The representative of the Montreal Transportation Company stated very frankly that if there had been one-third of the enterprise in Quebec that there had been in Montreal, Quebec would have taken the grain trade and kept it, and that it was his idea that it was money thrown away to bring a large sea-going vessel up to Montreal, the towage, time wasted, and other expense being too great. (He was referring of course to sailing vessels.) This gentleman concluded his testimony with a brilliant idea which, he said, would be beneficial to the trade of the Dominion. Briefly,

this was that the Victoria Bridge be double tracked and purchased by the Dominion Government from the Grand Trunk, the Government to charge a certain toll for every car passing over, no matter which railroad company it belonged to, the Government buying the bridge with the understanding that the Grand Trunk, with the money so acquired, would lay a double track on their line from Detroit to Portland and Quebec, the money to be paid as the work progressed. "The Baltimore and Ohio road cost \$33,000.00 per mile, and I have here," so he said, "many men of high railway standing who affirm that an additional track could now be laid on the entire Grand Trunk road for from \$12,000.00 per mile. I should also say that it would be a great boon for the Grand Trunk Railroad, as every American railway coming into Montreal would act as a feeder and receiver to and from it. Were this done, even still more harbour accommodation would be requisite." Alas, my poor brother! This urge on the part of the American railways to reach Montreal has never materialized.

However impracticable this particular proposition may sound it contained the germ of co-operation between railways, which one sees painfully and slowly, but surely, putting forth tendrils and tentacles. As a matter of fact, the American railways which actually have direct access to Montreal, notably the Central Vermont, the Delaware and Hudson, the Rutland and New York Central, do not contribute in the slightest to the trade of the port. The New York Central terminal agreement with the Canadian Pacific Railway especially excludes them from bringing domestic or export traffic into Montreal from points on their line beyond Cleveland, which must be turned over to the C.P.R. at some western junction, so that the Canadian Pacific will receive a road haul. Perhaps I should say here, that generally speaking, Montreal enjoys more favourable rail freight rates to and from the interior than New York, namely, the same rates as in force from Baltimore to points in Ontario and the Middle West on imports and the same rates as to Philadelphia on exports from the same regions. The rates, however, from Chicago, for example, to New Orleans are lower than to either Montreal or New York, although the distance is a little greater.

General Newton appeared to be particularly interested in proposals which might possibly affect the traffic of or trade via the United States, which prompted me to ask myself if any

Canadian engineers or exporters had ever been asked to join in any of the transportation questions of the United States, and which are continuously under investigation.

It was the opinion of the Secretary of the Harbour Commission that even if the existing grain trade from the United States to Europe should decrease because the United States would not have a surplus of breadstuffs to send to Europe, that the canal system of Canada would still be used as a cheap medium of transport of breadstuffs from the Western States for consumption in the Eastern States. There were five methods, according to the Secretary, for bringing grain from Chicago and Milwaukee to Montreal. The usual course of transportation was by schooner, carrying 18,000 to 20,000 bushels to Kingston direct, passing through the Welland canal. Another route was by vessels of larger size 30,000 to 35,000 bushels (mostly steam propellers) from Chicago to Port Colborne at the foot of Lake Erie, thence by the Welland railway to Port Dalhousie at the head of Lake Ontario, where it was again transferred into vessels for Kingston, sometimes into the same one.

When freight charges range at higher figures than have been current during the past season, shipments are made from Chicago to Collingwood, up on Lake Huron, thence by the Northern Railway to Toronto and by vessels to Kingston as before. At Kingston the grain is transferred into river barges carrying 18,000 to 20,000 bushels which are towed to Montreal (4 distinct movements). Shipments are also made from Chicago and Milwaukee to Montreal direct, sometimes in small schooners, but oftener in stream propellers carrying 16,000 to 17,000 bushels to Kingston and 10,000 to 12,000 bushels thence to Montreal. Also by larger vessels 30,000 to 40,000 bushels from Chicago to Goderich — Lake Huron and thence by Grand Trunk to Montreal. The freight charge for transporting a bushel of grain from Chicago to Montreal by any route is consequently the same. Neither railways nor steam propellers can command a higher price than sailing schooners and barges. During the past season (1874) the inland rates on freight have varied very little and probably three-fourths and over of the receipts at Montreal have been carried for 9 to 11 cents per bushel. In this particular period 10 cents in American currency was equal to 9 cents gold.

The rate of ocean freight on A-1 iron clippers and steamers to Liverpool has fluctuated greatly during this season, ranging from 4 to 9 shillings per quarter (480 lbs.). Five shillings was probably the average of the season's business — a lower average than usual and a price at which it is alleged that ocean vessels cannot earn profits. This is equivalent to 15c per bushel and the average ocean insurance was 2c. (In 1931, 58 years later, the water rate from the head of the lakes to Montreal started off at 9c, not much different than 1874 notwithstanding the hundreds of millions poured out on transportation improvements, however this dropped to 6 cents to meet the Erie Canal competition.‡ The ocean rate fluctuated from 1/6 to 2/9 per quarter or 4½c to 8c per bushel.)

I cannot find any evidence of the rates from Chicago to New York, but they could not have been any higher or American grain would not then have been moving through Montreal in increasing quantities. From this evidence it is also interesting to note that the original lake and rail freight rates, in fact all the rail rates west of Montreal, must have been water compelled rates, that is, rates which were made with regard to water competition.

The celebrated Sir Hugh Allan, a son of Capt. Alexander Allan, the founder of the line, contrary to the evidence of his freight manager, was not in favour of the wharves being raised and permanent warehouses built on account of the expense and the fact that the warehouses would only be used in summer. This was in 1875. I wonder what he would have thought about grain elevators on Hudson Bay. (When I was going up and down the wharves in 1892, an exciting period was the rat-hunting week about the end of November, when the wooden temporary sheds were being taken down and put away for the winter. The high level wharves and permanent sheds only began to come into existence when the port as we now know it was modernized in 1907.)

In answer to the question from Mr. Bell, Chairman of the Commission: "Suppose that grain became such a great trade that they took to storing it?"

Sir Hugh Allan: "That will never be."

In those days as now there was a diversity of opinion as to whether Montreal would become an entrepôt for the storage of grain from the west or if it would not be merely a transit port. My own view is that, if we are to encourage grain to seek the

St. Lawrence, more storage facilities should be furnished here to put an end to the frequent serious delays and congestions to lake vessels.

All the steamship men and many of the grain men wished the grain transferred direct from the barges into steamboats to save expense.

The exports of grain were shown to be an average of 324,205 bushels in the 5 years 1846-50, which had risen to an average of 6,561,234 in the next five. In 1870, 13,601,310 bushels were exported and 22,755,946 in 1879, practically all American. Last year (1931) the exports were 78,430,084 bushels, of which only between 5 and 6% were American. The peak year was 1928 with receipts of about 211 millions.

REPORT OF ENGINEERS 1875-7

The three engineers presented a report dated December 26th, 1877, a very important year in my own history. At the risk of boring you, I have given considerable extracts from the hearings because it shows how thoroughly the matter was gone into, and the interest which was taken by the citizens at large, and also that all our modern harbour improvements are based on the plans and projects of our pioneering forefathers.

The report of these eminent engineers was most complete. Had I discovered it in time it would have saved me a lot of work and perhaps given a more consecutive presentation of the development of this great port. It dealt with all the problems: accommodation for ocean steam traffic, large clipper ships, river craft, the lumber trade, railway connections, and the transfer of the western inland traffic. The river currents, water fluctuations, soundings, ice, canals, trade, the future. Here are three brief extracts from the report: "The construction of the Lachine, the Ottawa, the St. Lawrence and the Welland Canals was a marked step in the development of Montreal Harbour. These canals, with locks 100 feet in length, with 20 feet in width, and 5 feet of depth, gave the first outlet westwards, and opened a water communication with the upper St. Lawrence and the Ottawa. Narrow and insufficient as the dimensions of these first locks now appear, the commercial results attained were of great importance. Without these works Montreal could neither have received the products of the Western country, nor been able to supply it with imports".

“The traffic of the country on Lake Ontario would have taken the Canal at Oswego, and the districts above Niagara Falls would have found an outlet to the ocean by Buffalo and the Erie Canal, and by the United States railways. Thus, New York would have been the commercial emporium of Western Canada as a matter of necessity.” There was a long paragraph on the railway lines, especially the Grand Trunk, which, with those extending through the North Western States, were of immense advantage to Montreal. The paragraph concluded as follows:

“Through the agency of these lines the Port of Montreal is made one of the chief business centres for an extensive country of great fertility. The new lines projected, and partly in progress to Lake Superior, Manitoba and the great prairie region, will vastly widen the field of trade tributary to Montreal, and the steady advancement of the whole country would seem to justify the expectations of the Commissioners with respect to the future progress of Montreal and the demand for increased Harbour accommodation.”

This reference to the western railways is most interesting because not even these eminent engineers could have foreseen the leading part that these great organizations were to play in Montreal and in the development of Canada, or the extent to which the progress and prosperity of Canada itself would depend upon them, and upon the wheatfields of the West.

OUR LADY OF THE SNOWS

I wonder if many remember the railway track across the ice from Hochelaga towards Longueuil in the winter of 1878-9 and also in 1880-1? This connected one of the lines taken over by the Canadian Pacific — the Quebec-Montreal-Ottawa and Occidental, (the longer the name the shorter the line; in this case I believe it extended from Hochelaga to Ottawa through Lachute), and the old South Eastern Railway, which ran through the Townships, afterwards also taken over by the C.P.R. I vaguely remember having been walked away down to the river as a little child to see the locomotive, but it was not running; in fact, it had gone through the ice.

At the same time permission was granted to the St. Lawrence and Pacific Railway Ferry Co. to cut the ice between the Longueuil Ferry Wharf and Ile Ronde, where they proposed to put on a steam boat, connecting by a bridge from Ile Ronde to Longueuil shore, between which points they hoped to carry freight cars

both summer and winter. I doubt very much if this was ever operated, although the aforesaid Q.M.O. & O. Railway did run a car ferry from Hochelaga to Longueuil in the open season to connect with the South Eastern Railway.

In mentioning that the condition of the ice was one of the principal topics of winter discussion, I forgot to state that shooting Lachine Rapids in an open boat on the first of January was a great feat. In the afternoon a boat's crew belonging to the celebrated boatsman, Joseph Vincent, in 1879, descended the Lachine Rapids in an open boat and arrived safely at the Jacques Cartier Pier at three o'clock. (This is mentioned in the first paragraph of the Harbour Master's report of that year.) I well remember the famous Caughnawaga Indian, big John Canadien, performing this annually for many years.

All these early reports are full of references to ice, low water, temperatures, storms, ice shoves and roads. The Harbour Master always gave the details of the first day people and teams crossed the ice from St. Lambert, Laprairie and Longueuil. The town of 100,000 inhabitants took its weather very seriously, in fact the average Canadian citizen understood that Canada was frozen up for a good part of the year, in which belief he was abetted by the school geographies and current opinion; the occasional venturesome American male visitor wore ear muffs. It was not until a few years ago that I realized that there was snow in such countries as Central Africa, Northern India and China and that there were enthusiastic skiers in such widely separated and favoured countries as Australia, California, New Zealand and Japan. Even Scotland now claims to have snow and is unsuccessfully trying to attract lovers of winter sports, to the disgust of the thrifty Swiss who are reported as saying that there is such a thing as carrying British preferences too far.

SUCCESSFUL DEEPENING OF CHANNEL

In 1879, the Chairman of the Harbour Commission submitted to the Minister of Public Works at Ottawa a memorandum outlining the work of improvement and deepening the navigation between Montreal and Quebec, which had been carried on partly by the Government and partly by the Commissioners since the year 1841, claiming that the ship channel was entitled to be considered as a public undertaking, benefiting the whole country to the same degree as other public works in cheapening the trans-

port, and pointing out the necessity for reducing their tariff of charges in order that the Port of Montreal might favourably compare in expense with her rivals, New York, Boston, Philadelphia and Baltimore, without which the power to attract western trade through Canadian routes would be destroyed.

Several deputations from the east and the west having been to Ottawa in 1880, the Minister of Public Works asked the Board of Trade and the Corn Exchange for statements showing the comparative cost of transport via the Erie Canal and the St. Lawrence Canal, tolls charged, harbour dues at various Atlantic ports, and what reductions and remedies were necessary to successfully compete with the other ports. Very full replies were submitted; the report consisted of 40 pages, and had the result of finally relieving the Harbour of Montreal (after further memorials from the Harbour Commissioners to the Marquis of Lorne, then the Governor-General) from the burden of the St. Lawrence ship channel.

The other day I ran across a copy of the Montreal Herald of October 5, 1882. About one-half of the paper is given up to shipping news, with a page and a half of ads. of steamship and railway lines, many of them unknown to the present generation. A whole page and a half was given up to the "Opening of the Twenty-five Feet Channel in the St. Lawrence" and the "Grand Banquet on Board the S.S. 'PERUVIAN' of the Allan Line, attended by Montreal citizens of the day, and a few representatives from Quebec." The menu was not to be despised, consisting of: Mock turtle, Julienne soup, Cod and Oyster sauce, Lake Trout and Lobster Sauce, Oyster Patties, Lamb cutlets and Cucumber, Curried chicken and rice, Stewed duck and green peas, Roast sirloin of beef and marrow dumplings, Roast saddle of Mutton and Currant Jelly, Roast turkey and cranberry sauce, Partridge and bread sauce, Black duck and port wine sauce, Plum pudding, Calf foot jelly, Devonshire dumplings, Lemon creams, Compot of peaches, Italian sandwiches, Cheese and celery, Oranges, grapes, pears, peaches, raisins, figs, nuts, Sherry, sauterne, champagne, ale, porter, etc., Tea and coffee.

The paper says that after dinner the Chairman, the late Andrew Robertson, rose and proposed the toast to the "Queen", which was received with the greatest enthusiasm, all present joining in singing "God save the Queen". I, myself, heard this toast

being favourably received at a banquet in Montreal about twelve years ago.

Mr. Robertson, in addition to making an excellent speech and giving credit to the Hon. John Young for his great efforts of a life-time, produced something else. No less than that venerable and profound statement, "It has been said that some men are born great, others achieve greatness, while some have greatness thrust upon them". The speech covered most admirably the whole problem of improvements to navigation, past, present and future, to which Sir Hector Langevin, Chairman of Public Works, and Hon. A. W. McLellan, Minister of Marine and Fisheries, responded, both congratulating the City of Montreal with its 150,000 inhabitants, and the Harbour Commission, on their achievement, but were careful not to say what the position of the Federal Government would be, although there was no mistaking, from the speeches of the local members of Parliament, the Harbour Commission and shipping men, as to what was wanted.

The late Hon. R. R. Dobell defended the action of the delegation of Quebec merchants who had asked the Government at Ottawa not to assume the cost of the improvement at Lake St. Peter until it was ascertained whether Quebec could offer the accommodation required at much less expense, which he thought was a very sensible and patriotic view, because he was sure that the people would heartily support the deepening of Lake St. Peter if it was for the benefit of the whole of Canada. Mr. Dobell sincerely and heartily wished Montreal every prosperity and congratulated the Harbour Commissioners of Montreal on the work which they had just accomplished, at the same time advising them to pay their own dues, but thought there was a good deal in what Sir Hector Langevin had said and he would say, "Stick to it like men and pay your own dues and then we will drink your health again". (The Chairman intimated that, in his capacity as host, he would not make any direct reference to this suggestion.)

I notice the same paper covered the fiftieth anniversary of the Medical Faculty of McGill University, which was celebrated by a grand reunion. At the same time the Montreal Presbyterian College held its reopening session in Erskine Church, making a busy week for Montreal.

You will be glad to know that the toasts to the Senate, Commons and Legislatures and shipping and railway interests, Que-

bec Harbour Commissioners and Montreal Harbour Commissioners were duly honored at this banquet, which commenced at two o'clock and lasted until about six, but that toasts to Trade and Commerce, the Mayor and Corporation, the ex-Harbour Commissioners of Montreal, the press and the ladies were dispensed with. As a matter of fact there were no ladies on the trip, the Chairman getting out of it nicely by expressing his "regrets on the absence of the fair sex who are so dear to us, who double our joys and divide our sorrows, and who would lend a grace and charm to this excursion had it been possible to have had them with us today."

I should add that, although the official opening of the channel and the banquet took place on Tuesday, it only came out in the Herald on Thursday, which may, or may not, have been attributable to the enthusiasm of the affair.

In 1882, the Montreal Harbour Commissioners again memorialized the Government as to the expediency of assuming the debt incurred for the deepening, and submitted copies of letters to show that 40 years ago the deepening of the channel was receiving the careful attention of the Government as a public work in Canada.

On May 22nd, 1888, the work of deepening the channel and of maintaining the buoys and beacons was at last assumed by the Department of Marine and Fisheries of the Dominion Government, after the Harbour Commissioners of Montreal had practically completed the dredging of the same from 11 to a depth of 27½ feet. One of the first moves was the abolition of tonnage dues. Up to the end of 1887, the Harbour Commissioners of Montreal had expended \$295,500 of their own revenues in the deepening of the channel, providing buoy and beacon service, \$61,500, and on interest on channel expenditure some \$800,000, which, less \$37,500, representing a deficit for the year 1887, amounts in round figures to some \$1,119,500. The Harbour Commissioners of Montreal have never been reimbursed this amount.

The 30 foot channel was commenced in 1899 and completed in 1907. In discussing the ship channel transfer in 1888 the Right Hon. Sir Charles Tupper, then Minister of Finance, who introduced the Bill, said: "No public body in this country have ever discharged a duty imposed upon them with greater ability or greater success than the Harbour Commissioners of Montreal

. . . the Harbour of Montreal has never been chargeable to the extent of a dollar on the revenue of the country.”

The personnel of the Corporation now consisted of 11 commissioners, 6 of whom were appointed by the Governor-General in Council, the Mayor of Montreal acted ex-officio, and the other four Commissioners were elected, one by each of the following bodies:—the Montreal Board of Trade, the Montreal Corn Exchange Association, La Chambre de Commerce du District de Montreal, and the shipping interests. This, however, was an unwieldy number and many complaints arose about the difficulty of and delays in reaching decisions, so, in the year 1907, it was enacted that the Corporation should consist of three commissioners appointed by the Governor-in-Council upon the recommendation of the Minister of Marine and Fisheries and that they should hold office during pleasure.

Major George Washington Stephens was the first Chairman of the reorganized Commission, and the late Sir John Kennedy the Chief Engineer, which brings us to the modern port.

THE MODERN PORT

It is said that comparatively few Londoners are aware of the real magnitude of the Port of London, and I suppose the same might be said of Montrealers of the present generation. We cannot find here a rolling deep, a tang of salt, romance, or the complexity of docks, slips, wharves and back-waters to be found in the Thames, the Rhine or other historic rivers; and I imagine it is difficult to be romantic stowing wheat in the hold of a dusty tramp at about 95° in the shade. I have never heard of any cargoes of “Sandalwood, cedar wood and sweet white wine”, but for all that thousands of men and women and the products of the world pass annually through this port. The harbour includes, or has included, various municipalities — Montreal, St. Gabriel, Hochelaga, Maisonneuve, Montreal East, St. Lambert, Montreal South and Longueuil, and upon its banks are churches, saints, and more churches, rifle ranges, convents, retreats, schools, colleges, police stations, taverns, gardens, farms and farm-houses, breweries, oil tanks, warehouses, cold storage, cement plants, copper and sugar refineries, locomotive works, grain elevators, structural steel plants, manufacturers of linseed oil and paints, markets, smells, coal dumps, lumber piles, sailors’ hostels, garages, customs houses, wet docks, dry docks, various ships —

tramps, liners, barges — railway cars, wild ducks, customs officers, tourists, travellers, immigrants, sailors, lasses and glasses.

The groan of the dredge, the clank of the chain, the creak of the winch, the toot of the tug, the cry of the gull, and the occasional seal. Montreal, the Harbour and the River are one, with neither fog nor fire nor strike to mar. Not even the drunken sailor; these last having apparently perished with their comrades in the stock market. There is no "fascinating confusion" in the port of Montreal, everything is orderly and efficient. We have no Tower, or even an Ellis Island, but we did have a very famous old jail, now given over to the blending of aquafortis with our good aqua pura — no wonder some of our neighbours talk about their rights in the St. Lawrence, they have bought a great deal of it. Some Omer may yet arise to commemorate this modern alchemy.

There is another version of the Clyde-Mississippi story, which runs like this: One day during the war, John Burns was chatting with a party of overseas visitors. It was at Westminster, and a Canadian was dilating on the magnificence of his St. Lawrence. An American was singing of the glories of the Mississippi. "How can you compare your Thames with these, Mr. Burns?" said someone. "Man", cried Burns, "your St. Lawrence is just water and your Mississippi plain mud, but the Thames is liquid history". It is the early struggle for the establishment of our port, its rise in importance, its history, on which I have dwelt this evening, with the hope that this great heritage, to which we have succeeded, may receive during these changing times, more and more of our affection, regard and constant support. One thousand miles from the sea, we are not sea-minded. Our young people do not feel the urge of the sea; rather the plains, prairies and mountains, the great wide spaces beckon the adventurous, and the others are swallowed up by the great cities of Canada or the United States.

I shall not take up your time in going into a long discussion about the modern port. It is here for you to see for yourselves and I have already received more than one friendly warning that statistics are not the most acceptable form of entertainment or education. The longer I live the less my appetite for statistics. One has only to compare the speeches and public statements in Canada and the United States, on the transportation situation or glance over some of the matter which is politely termed propa-

ganda, issued by opposing seaway groups, to say nothing of the financial and business figures, to feel like consigning their authors to limbo.

The facilities of the port are first-class, but not in any way ahead of traffic. (A rather unusual situation in this country.) Port charges are comparatively moderate, the main charges being for grain elevation, on an average of four-tenths of a cent per bushel, cargo wharfages, railway switching, and shed rentals, to which may be added minor items such as water, light, watchmen, etc. It is important to remember that the Harbour Commissioners provide free berthing for vessels, i.e., no pier dues are exacted. It is true that liners pay for special berths allotted to them in the shape of shed rentals, but the bulk grain carrier, i.e., the ocean tramp and the lake vessel bringing grain down from the Great Lakes are not charged for the use of berths in the Harbour. In addition to the above purely harbour charges, vessels pay for towage, a normal vessel expense at all ports, and for pilotage from Father Point to Montreal. This latter expense is comparatively high owing to the fact that it is a long pilotage, practically 300 miles. From the entrance into the Gulf, either by the Strait of Belle Isle or the Cabot Strait, the route is provided with the most modern aids to navigation, such as lighthouses, radio beacons, buoys and signal stations, all of which are considered national expenditures. A few miles below Quebec the ocean vessel enters a dredged ship channel which carries it right up to Montreal Harbour, and ships freely navigate up and down day or night. One result of this has been a considerable reduction in the marine insurance rates, although the St. Lawrence route is still considerably handicapped on account of the cheaper rates to Atlantic Coast ports. The channel, as already described, is now a depth of 30' and a 35' channel is expected by 1934, unless unexpected delays, which are inexplicable to the man on the street, intervene.

Navigators speak highly of the splendid system of aids to navigation, provided by the Department of Marine, a system not excelled in any other part of the world. In no part of North America can more efficient labour be found than in Montreal.

The Harbour Commissioners pay out yearly for salaries and wages approximately \$1,500,000.00, and in addition the weekly payroll on the docks has averaged about \$80,000.00 in the last

few years. In 1931, the port authorities expended about \$5,000,000 on operation and maintenance and interest payments to the Government. The present facilities include approximately 10 miles of modern deep draught wharves capable of accommodating 100 large ocean steamships. Four modern fireproof grain elevators with a total storage capacity of 15,162,000 bushels, from which grain can be delivered to 23 vessels simultaneously at the maximum rate of 500,000 bushels per hour, while at the same time inland vessels and railway cars can be unloaded at the maximum rate of approximately 300,000 bushels per hour. There is a large modern cold storage warehouse and 20 permanent fireproof two-storey and 6 single storey transit sheds; an electrified railway system of 70 miles, and the usual locomotive cranes, lifts, etc. There are excellent facilities for the repairing and docking of vessels up to 25,000 tons capacity, while towing, fueling and fire protection services are well organized.

THE GREATEST GRAIN PORT

Until a few years ago the traffic of the port of Montreal increased year by year, reaching a peak in 1928 when 1607 ocean ships used the port and 211,000,000 bushels of grain were handled through Harbour elevators. The recession in world trade combined with a heavy falling off in grain exports via the port, caused a considerable falling off in port traffic and revenue during 1929, 1930 and 1931. Although this situation is not peculiar to Montreal, it has barely maintained its position as the greatest grain port, Vancouver and New York pressing very closely. Montreal as a port cannot afford to stand still today and expect traffic to develop simply because of its location any more than it could in 1875. Other ports, notably Albany and Vancouver, are stretching out for a share of the imports and exports, new competitors and conditions are developing, in which I have not included the Hudson Bay route, all of which have a bearing on Montreal's future as a seaport. Export grain, in the handling of which Montreal has occupied a predominant position, is seeking other outlets. Last year over 10,000,000 bushels passed by the port to avoid delays in transshipment and were handled through a new 2,000,000 bushel elevator at Sorel. More Canadian grain continued to move through Buffalo than either Montreal or Vancouver. Some years ago the proportions of American grain through eastern Canadian seaports and Canadian grain

through eastern American ports were fairly equal but of late years there has been a very large decrease in American grain through Canadian ports.

The question arises, what should Montreal do to retain its existing traffic and develop more. So far as grain is concerned the harbour must, in the first place, have sufficient facilities to ensure that grain can be handled promptly and cheaply. Montreal has now a grain elevator capacity of 15,000,000 bushels and if this were used only for transfer purposes the facilities would be ample but under existing market conditions, quite a portion of the space is used for storage purposes so that although the movement has decreased tremendously in the last two or three years, lake carriers are still being held up as much as two months at a time, resulting in serious loss to the owners and higher costs and a bad name to the St. Lawrence route. Perhaps I should say here that in 1931 New York, with an elevator capacity of 7,600,000 bushels handled 60,435,336 bushels, of which a large portion was Canadian, and Vancouver, which has only been in the grain business a few years, already has an elevator capacity of nearly 17,000,000, or 2,000,000 more than Montreal, and last year handled the very notable quantity of 70,696,935 bushels of Canadian grain. Other competitors of Montreal are Philadelphia, with elevator capacity of 5,250,000; Baltimore 12,700,000; New Orleans nearly 6,000,000, and Galveston more than 9,000,000 bushels; and now the Port of Albany is busy on a *13,000,000 bushel elevator.

Possibly by operating as an adjunct to Montreal, the new 5,400,000 bushel Government elevator at Prescott, which by the way is practically idle because the underwriters consider the existing channel approach too dangerous for the larger lake carriers, the port's grain facilities would be improved to that extent. There is a question, however, if this would suffice because as I have said, grain has to be held at the seaboard ready for immediate shipment. The main factor, however, remains, that of cost. The Port of Montreal can only prosper if the cost of handling cargo through the Harbour is less than through other channels. Traffic and commerce, like water, are always seeking the lowest level, and as invariably find it.

*Since this address was given, the Port of Albany has called for tenders for an additional 2,000,000.

BUFFALO AND ALBANY COMPETITION

The question is continually asked, especially by people in the Maritime Provinces: "Why does Canadian grain go to Buffalo and the American seaports?" Buffalo has a large storage capacity, namely 42,000,000 bushels and grain can be readily routed by rail or water to comparatively nearby American ports where ocean tonnage is available the year round, and unquestionably this has a lot to do with the importance of Buffalo as a grain centre, even one of the Canadian Wheat Pools having erected a large elevator there. But probably the principal reason is that grain can often be moved to the American seaboard via Buffalo more cheaply than to Montreal or the lower ports. In addition to the delays in discharging, the lake boats at Montreal have in the past almost invariably been obliged to return west empty. (Last year 2,707 vessels did so. At the low average of 2,000 tons cargo space per vessel this represented empty accommodation for 5,414,000 tons of westbound freight.) Vessels bringing grain to St. Lawrence ports are usually dependent for their entire earnings on the eastbound movement of flour or grain. This is not the case on the New York State canals, where there is a tremendous westbound tonnage, which is increasing. The condition there is just the opposite to what it is on the St. Lawrence in that, frequently, the grain movement eastbound, instead of being the principal or sole tonnage to move, is taken by the American vessel and barge owners at a low rate merely to provide an eastbound cargo and get the boats down low enough to pass under the hundred odd bridges spanning the Erie Canal between Buffalo and Albany.

The Port of Albany has now a 27 foot channel, is making extravagant claims about its accessibility all the year round, and has called for tenders on two ice-breakers to keep open its channel, which normally is closed between December 15 and March 15. Albany expects to bring grain from the head of the Lakes for 5c a bushel, which I think is quite feasible. Its first bid for fame was the importation of about 3,000 carloads of Russian pulpwood a couple of years ago.

REDUCTION IN COSTS NECESSARY

What can be done to induce more grain and other cargo via Montreal? Certainly anything that will reduce costs of handling will help materially. Montreal Harbour has prided itself in the

fact that it is self-supporting, i.e., it secures sufficient revenue from ships and cargo to pay all operating costs and also pay the Dominion Government heavy interest charges, besides setting a considerable sum aside each year for sinking fund. In 1930 the Montreal Harbour paid \$2,277,658 in interest and reserved \$528,300 for sinking fund, a total of \$2,805,958. In addition to this its operating and maintenance costs were \$2,393,795. Other Canadian ports, except, I think, Vancouver, have not been called upon to pay interest on loans from the Government. In most cases they would be unable to do so without exacting prohibitive charges on traffic. Like Montreal they are national ports, and as we are building up national outlets, sometimes in advance of traffic requirements, it is undoubtedly good policy not to saddle these national harbours to a point where they must exact heavy dues and so drive away rather than attract tonnage. Naturally, Montrealers have taken pride in the fact that Montreal so far has been able to pay the Dominion Government heavy interest charges on these loans which, I have shown, is in accordance with a long-established policy towards Montreal. But in view of the keen competition which exists and is increasing, the question naturally arises: "Why should the Port of Montreal and/or its patrons and citizens be still discriminated against, especially if, in order to meet these heavy fixed charges, the Harbour is compelled to exact dues which will affect the traffic of the country?"

I suppose a citizen of Montreal could also quite properly maintain that he was contributing through heavy taxes a large share of the cost of these other Canadian ports, even if he remained silent on other large public undertakings.

An expenditure of \$60,000,000 on the Harbour of Montreal is not excessive, and has been of inestimable value to Canada and, in view of the manner in which it shouldered the early work on the St. Lawrence ship channel and what the lawyers call for other good and sufficient reasons, it would not seem unreasonable to expect the country, if it were shown to be necessary, to assume as a national charge, either the whole or part of the capital cost.

TRADE BARRIERS

Great primary producing countries like Canada are instantly affected by world prices, politics or conditions. Rains in the Argentine, a tightening of the belts in Europe, the opening of a

new route, or the blocking of an old one, send the prices and demands up or down. The grain business is handled on a very narrow margin. The Canadian wheat producer being further from tidewater than any of his competitors, and Western Canada, having been developed on its ability to compete in the world's wheat market, everything must be done to grow, transport and market our wheat at a minimum cost. (This statement may appear to be suspiciously like a plea for the enlargement of the St. Lawrence Canals which prior to this study I had felt was not a pressing Canadian question.)

You have smiled with me over some of the prophecies of our forefathers which, nevertheless, have been largely fulfilled, although, and the present is a very difficult time in which to prophecy because our values and standards have been so upset, it cannot be denied that without exception every improvement to navigation was followed by a very large increase in trade. It is now evident that the world has not been normal since 1913. After the war some countries enjoyed a tremendous but short-lived boom. People became extremely nationalistic; new trade barriers were raised, exports and imports restricted or handicapped by governmental regulations, economic upheavals, socialistic experiments, Farm Boards, Wheat Pools, Quotas, Prohibitions, inhibitions, inflations, deflations, reflations and other words reminiscent of the president of the famous Fresh Air Taxi Cab Co. Some well meaning, others stupid or even malicious, but they have all had the effect of disturbing the regular flow and customary ways of doing business. Permit me to give one illustration: Formerly quite a lot of Canadian flour was shipped to South Africa, but in the last few months this has been completely wiped out by legislation, from 50 or 60,000 bags a month it has dropped down to about 1,000, which are allowed in only by special permit. This has been offset to some extent by a movement of wheat from Canada and Australia which is blended with the South African product and milled there. Similar legislation and a drop in consumption, owing to the substitution of cheaper grains, has assisted in curtailing greatly the output of our flour mills. Canada's trade balance with the United Kingdom has been favourable to Canada since 1899, but its trade balance with the United States has been unfavourable to Canada since 1882.

Canada has been giving Britain substantial tariff preferences since 1897, although few of the British newspapers seem to be

aware of it. But the results of the approaching Imperial Conference are bound to increase trade within the British Commonwealth, which means more business for Canadian ports. Notwithstanding the fact that 90% of our wheat crop is grown for foreign consumption and 90% of our mineral output; 90% of our fisheries; 90% of our newsprint and 60% of our lumber are exported, possibly one-fourth of the population being directly dependent upon foreign demands for their livelihood, Canadians are not as a whole export-minded, any more than they are sea-minded, with the possible exception of Nova Scotia and the Pacific Coast.

We do find localities which are export-minded to a surprising degree. I have in mind the little town of Granby, for example, which amongst other exports ships regular consignments of Celluloid golf tees to London and Melbourne. The first time I heard of Erromanga was many years ago when, as a youngster, I attended a church service at which reference was made to the Gordons of Prince Edward Island, missionaries who had been killed and eaten in Erromanga. Quite frequently we direct shipments of canvas shoes from Granby to Erromanga — the coloured people all over the world feel that they are not really dressed up on Sunday unless they are wearing a pair of white tennis shoes which, as a matter of fact, are shipped from here all over the world, including such widely separated islands as Iceland and Java. This is merely an example of what a little initiative may do when accompanied by a lot of persistence. (There is one export to which I have not alluded; that is the irreparable export of our finest sons and daughters, who have felt obliged to go forth to seek their fortunes, because, to our shame, of restricted opportunities at home.)

The export of basic commodities has made Canada one of the most important countries in international trade in spite of its small population. We were in the fifth position in total trade for a number of years, but in the calendar year of 1931 we have yielded the position to the Netherlands and now occupy sixth position, although in regard to exports alone, we are in the fifth place. At that our exports were down approximately 32% compared to 1930; the United States about 37%, and the U.K. about 33%. A country like Germany being down 53%; Belgium only 14%; Australia was only down about 2% in exports but over 50% in imports. I should perhaps not be dip-

ping into these figures, but a port is not much use without trade. Our total foreign trade in the calendar year of 1931 was in value just half that of 1929, although our trade balance is probably more favourable than it has been for a great many years.

CHICAGO DRAINAGE CANAL

Earlier in the evening reference was made to the natural enemies of the port, ice and water, and it has been shown how the river has been dredged until we shall soon have a 35-foot channel from Montreal to the sea. Unfortunately this does not prevent periods of low water, notably in 1931, when it was much lower than it had been for many years. Many lake and ocean vessels were unable to take on their full cargoes. These low water periods, which are undoubtedly affected by the destruction of the forests, have been accentuated for a considerable number of years by the action of the city of Chicago, in diverting waters from Lake Michigan into the Mississippi. The first canal project in 1889 was for the alleged purpose of sewage disposal but was designed to carry no less than 14,000 cubic feet of water per second, and the U.S. Secretary of War issued an order for the year permitting a diversion of 5,000 cubic foot into the drainage canal, which was reduced in 1901 to 4,657 cubic feet. Notwithstanding this order, it is stated the amount withdrawn was approximately 10,000 cubic feet per second, sometimes considerably more being taken for power purposes. Many complaints were received from the lake cities and the Eastern States including protests from Canada and the matter finally reached the courts. The U.S. Supreme Court finding in effect was that on and after December 31st, 1938, the defendants were enjoined from diverting more than 1,500 cubic feet per second, and that the withdrawals then being made, reduced the level of Lake Michigan and other navigable waters and interfered with navigation. Chicago was given a term of years in which to construct remedial and sewage works. However a temporary permit was issued by the War Department, to divert 8,500 cubic feet and doubtless this amount is now being taken. On this basis reputable engineers state that the levels of Lakes Michigan and Huron are lowered approximately six inches, Erie and Ontario five inches, and Montreal Harbour about one-third of a foot, which entail a serious reduction in the carrying capacity of inland and ocean vessels. It also lessens the potential hydro-electric power.

A nine foot waterway between Chicago and the Gulf of Mexico is part of the enormous American programme of inland waterways.

THE RIVAL WATERWAYS

The night is far spent and I am far from home, yet nothing has been said about the future prospects of this seaport, which was so difficult to obtain. This future is dependent, not only on the progress of the country, a mutual affair, but also on the facilities and costs of its transport and communications. Undoubtedly the deepening of the sea-channel will proceed when exigencies or policies permit. Larger and larger vessels will come to Montreal. There will be more and more aids to navigation and the period of St. Lawrence navigation may continue to extend. Our immediate problems are to the West. Many sacrifices have been made to carry on our production of Canadian wheat and more will be required. Will the demand for our good Canadian wheat revive and, if so, will the markets be on the Atlantic or Pacific, and can the St. Lawrence route maintain its position? These are questions which not the Harbour Commission alone, but every thoughtful citizen in Canada must study.

The future of the port can no longer be considered apart from the proposed Great Lakes and St. Lawrence deep waterway. Montreal and Quebec have been opposed on the whole, to the construction of the so-called St. Lawrence seaway, not because they fear it is going to take away business from the river, but because they consider the present facilities are far from being over-taxed; that the country cannot afford it and, finally, that they see dangers in joint international control. Timorous souls recall that we have not been distinguished in the past as successful bargainers. Of course, international control is not new. Half of our own boundaries are waterways. (The Canada-U.S. boundary is 5,500 miles in length, of which 2,400 miles are water boundary.) In Europe, the Rhine and the Danube have been operated under International Commissions for many years. It is also quite true that the St. Lawrence canals have never been pressed except perhaps in the autumn movement of an extremely heavy year. In addition, there is a fast and efficient lake and rail route via the Georgian Bay ports which, at one time, carried a very large amount of grain, and served by elevators, in-

cluding Port Colborne, with a storage capacity of about 25,000,000 to say nothing of the 2,000,000 elevator at Toronto, the 2¾ million elevator at Kingston, and the idle 5,400,000 one at Prescott.

Although it has been stated that a country cannot have too much economical transportation, we have had far too many transportation facilities ever since the completion of the last transcontinental railways, and I have been one who thought that we had enough to last us for another 20 years unless our population miraculously doubled in that period, but this is a changing world and a country of forward-looking people simply cannot stand still.

One hundred years ago it seemed as if the highways were a settled matter, especially in Europe, and in the older parts of this continent, roads stretched everywhere. (The British law of 1865: "That it shall not be lawful to drive along any turnpike road or public highway at a greater speed than 4 miles an hour, or through any town or village at a greater speed than 2 miles an hour," merely reflected the conditions of that period.) Finally, however, is a thing not to be reached. New circumstances arose which made the highways inadequate and unsuitable for the traffic. In the nineteenth century the railways put highways and the old waterways out of business, ruining long-established institutions and affecting the credits of banks and governments. In this twentieth century the highways and the waterways are seriously affecting the railways. The railways are complaining as bitterly against the comeback of the highways and the waterways as these earlier forms of transportation complained in the early part of the last century against the railways. Present circumstances are such that lower distribution costs must be obtained, hence a tremendous and growing sentiment on the part of this railway-developed continent back to the waterways, and the quicker we can adjust ourselves to these present circumstances, the quicker affairs will stabilize. Ships require crews, fuel and supplies, they revive trade and bring us commodities the railways cannot handle.

The American propagandists for the St. Lawrence route draw attention to the enormous tonnage on the Lakes, which they correctly state is five times as large as that carried through the Suez Canal, and the following figures are taken from the Lake Carriers' Association report for the season of 1929, which was

a rather good year: Iron ore 73,029,152 tons; Soft coal 37,933,249 tons; Stone 16,269,612 tons; Hard coal 1,321,329 tons; Grain 10,021,099 tons. Total 138,574,441 tons. All bulk commodities, of which the grain is not quite 8%.

The impression is given that this tonnage would be available for the new seaway, but as a matter of fact the coal and ores which move normally between American upper lake ports form the bulk of the lake cargoes, and little or none of them would be likely to seek the sea. Therefore, to justify this seaway, new and additional business must be developed, and I believe is available. The propagandists in favour of the route are positive that regular through ocean lines will immediately be established, which is likely only under exceptional circumstances. Henry Ford, for example, might conceivably divert some of his vessels from the New York State Canals. The large Chicago houses might increase the odd cargo they now receive from abroad; automobile manufacturers might establish regular cargo services; there will undoubtedly be sailings between the Great Lakes and the Pacific; other similar movements are inevitable. This, of course, does not appeal to the type of propagandist who pictures palatial liners landing passengers at Chicago, and whose extravagant claims have not helped his cause in this country.

I must admit that much of the propaganda has had the effect of immediately putting me on the opposite side of the propagandist. Here are two typical examples in favour. The firm which provides me with a modest living, a few years ago brought out several cargoes of china clay in small vessels from Fowey, England, to Michigan City, Ind., and South Haven, Mich., and the business continued for two or three seasons. This was hailed by the press of these little towns and their Industrial Commissioners as new through lines secured by them, and accounts of these same boats appear from time to time in the sheets which favour the St. Lawrence. The other day there was a long extract from the "Telegram" of St. John's, Nfld., to the effect that direct communication with the great cities at the head of the St. Lawrence system would also mean a new era in the Newfoundland fishing industry, to supply the millions of people in the Middle West, to whom fish fresh from the sea is an unknown food commodity, ad lib.

The Province of Quebec is not the only opponent of the St. Lawrence seaway. The State of New York, notwithstanding the

fact that the Quebec government says the plan means the turning over of its river to the Americans, and also ignoring that about half of the entire route from the head of the lakes to the sea might be called international waters, encourages its senior Senator to denounce this "All-British Canal," and he has appointed himself to fight it, and announces "the simple creed of American patriotism as well as the enlightened interests of the State of New York dictates the all-American route despite its higher costs. The all-American canal is the inevitable alternative of the St. Lawrence. Instead of drying up the Harbour of New York, it will dry up the Harbour of Montreal." Other New York State people, particularly those pushing the Port of Albany claim that the St. Lawrence canals are frozen up 7 months of the year, whereas their ports are open all the year round, forgetting that the New York State Canals are closed by frost for practically the same length of time that the St. Lawrence Canals are. Just as contradictory statements are made here, some Montrealers claim that the construction of the St. Lawrence seaway will kill the Harbour of Montreal; the ships will go past the port. Others say, as in 1875, and I believe as accurately, that it will increase the business and not hurt Montreal because the big bulk lake carriers which are not constructed for ocean navigation, will turn around at Montreal, thus making Montreal more of a grain transit port than ever, and at a saving of $1\frac{1}{2}c$ to $1\frac{1}{2}$ per bushel, and that the ocean vessels cannot afford to go up the lakes. The scheme, therefore, is pronounced impracticable, it will ruin Montreal and it will help Montreal. It will also ruin New York; you take your choice, but please don't take it both ways.

A recent resolution introduced in the New York State Legislature alleges that, if the St. Lawrence ship canal is completed, it will divert from the State of New York 54% of the total customs receipts now collected by the nation (mark you, by the nation), and that it will make the Port of Montreal the metropolis of the western hemisphere which is now held by the City of New York. In the same statement it is claimed that our open navigation is only 6 months.

The Hon. Peter G. Ten Eyck, of Albany, has undoubtedly a sense of humour, and is credited or debited with some curious statements. He is also president of the New York State Waterways Association, and occasionally broadcasts. He says the St. Lawrence canal will be an expense to the people of the Dominion

of Canada and the United States of \$162,000.00 per day every day for 50 years, and that the "Canadian canal" was not necessary, and if a cheaper and larger canal is needed as an outlet for the Great Lakes, it behooves the Federal Government to enlarge and expand the present barge canal with Federal aid within the territory of the United States, which will serve the people of the United States and the people of Canada alike. Evidently he wants to retain for New York interests the bulk of the Canadian grain eastern movement. He makes a further proposal which, if correctly reported, is really good: "If the Canadians desire us to pay half the cost of the canal in the St. Lawrence River to a depth of 27 or 33 feet, we should, by the same token, require Canada at the same time to agree to pay half the cost of deepening the barge canal to 30 feet, because it is only fair to see that our navigable waterways are kept comparable to the Canadian waterways at all times." Incidentally, he quoted various authorities for saying that the total expense for navigation and power development, including the cost of deepening of the channels and improving the Harbour, would make the total cost of the St. Lawrence \$1,350,000,000. Later on, Hon. Mr. Ten Eyck doubted if Canada would be willing to pay anything towards the barge canal, even though they (the Americans) paid half the cost of the development of what he called the "Canadian canal". (I trust none of these statements will appear in the form of full page advertisements because, while they may have been uttered in all seriousness, I am not quoting them in that sense but merely as illustrations.)

In the meantime, a bill has been introduced in Congress providing for the deepening of the New York barge canal to 14 feet by the Federal Government at a cost of \$50,000,000; but it is an anti-St. Lawrence movement.

None of the American propagandists say much now about the power to be developed on the St. Lawrence, although that may have been the original inspiration. Their principal argument, as I see it, is the great cry for help from the Middle West. The construction of the Panama Canal, of which the cost was borne by the entire United States, has been of tremendous benefit to the Atlantic and Pacific seaboard. It has brought the products of the Pacific around to the East at low rates and, in turn, taken back supplies from the Eastern Seaboard, which has progressed

notably. New York, from a transport cost viewpoint, has been moved relatively nearer to the Pacific Coast, while Chicago has moved further away. The Middle West has not benefitted to much extent, and its people were among the first to feel the depression. Most of these Granger States have passed strong resolutions endorsing the St. Lawrence seaway, some of them also backing the Mississippi and tributary waterway systems. They are all sure it is going to relieve the interior from economic isolation in the world's foreign trade.

Cargoes of British Columbia lumber are shipped now via the Panama Canal up to Toronto and beyond. Other commodities, which do not require special despatch, would use an improved water route, and a seaway would give the forty-odd million people, claimed to be tributary to the Great Lakes, an opportunity to compete with their brethren located nearer the seaboard.

Some of the American papers act as if the St. Lawrence route were a recent discovery, whereas considerable American grain came through Montreal even 50, 60 or 70 years ago, and frequently exceeds the shipments through American ports. For example: In 1928 74,856,000 bushels of American grain were exported through Eastern Canadian ports compared with only 28,500,000 bushels American grain through Eastern U.S. ports, and 109,000,000 bushels Canadian grain were exported through American ports practically all via Buffalo, as compared with 270 millions of Canadian grain through all-Canadian ports from the Atlantic to the Pacific.

In 1929, Canadian ports handled 39,750,000 bushels American grain compared with 15,600,000 through eastern American ports. In the same year 89,863,000 bushels Canadian grain were exported through American ports against 155,350,000 bushels through all-Canadian ports.

In 1930, Canadian ports received 18,750,000 bushels American grain against 7,500,000 shipped through American ports and 67,750,000 bushels Canadian grain went through United States ports against 137,500,000 Canadian grain through all-Canadian ports. When the American grain is moving, and not held up like it was in 1931, the St. Lawrence formerly received a good share of it. The success of Vancouver as a grain port is the principal reason for the good showing made by Canadian ports on Canadian grain.

The figures for the American ports cover Portland to Norfolk; they do not include Southern or Gulf ports, nor the American ports on the Pacific.

The canals are far from busy and if an enormous tonnage for other commodities is seeking an outlet and the United States has equal navigation rights, why is more use not made of the route now? Unfortunately all countries still contain people who, in reality, know little or nothing of their neighbours.

We forged an additional weapon for the Port of Albany by beginning these river improvements at the wrong end, and constructing the new Welland Canal at a cost of upwards of \$125,000,000 which, by the way, has not decreased the cost of bringing export grain here one iota, although it has certainly reduced the cost of ore and coal to the steel plants at Hamilton and Toronto to the great concern of the railways. The large lake vessels can now go though to Oswego, and the ambitions of the port of Albany, with its 13,000,000-bushel elevator well under way, makes it imperative for Canada to proceed with the improvements to the balance of the route, especially if Washington is willing to make a fair contribution towards the expense either in order to equalize what has been spent on the Welland canal or the existing St. Lawrence canals, or because, according to their own admission, the United States will likely benefit more than Canada.

Tremendous pressure has been brought to bear on Canada and within Canada in favour of this programme, although all of the items which appear in the press from Ottawa and Washington, I trust, are not inspired. For example, only the other day there was an intimation that the United States would contribute \$125,000,000 towards the international section. Other items have stated that they would build it for nothing. Only recently it was naïvely stated that, of course, work on the Canadian section would not start until the international section was completed, which would be 7 or 8 years from now. In Heaven's name, if a deep canal is needed, and is to compete with Albany and New York, the entire work must be started and completed simultaneously. This piecemeal method of letting government contracts on this continent, which spins them out over the years, is most exasperating and expensive. By the time the work is completed, the patient has died or the shipments have been made by airplane.

If Albany is likely to take business from Montreal, the quicker we are in a position to stop it the better.

Of course these things rarely work out as expected. When the Panama Canal was projected, who realized it was going to make Vancouver the strongest port on the Pacific; and that, from being a local port with some Oriental trade, it would in a few years be vieing with Montreal and New York as the world's largest grain port? I remember well that some of our grain men were sure the Panama route would be too warm for our Canadian hard wheat. Therefore, it may be that the big bulk carriers will not patronize Oswego because there would be little or no return cargoes for them, whereas, if they continue running into Buffalo, they are normally sure of a return cargo of coal from nearby ports. If this is correct, Albany will have to depend upon the popular Buffalo route and/or the Oswego route as served at present, which, although a few miles shorter than the distance to Montreal, actually take from one to two days longer. In the meantime, Albany announces officially that on the basis of advance traffic reports it expects to do more inbound ocean business this year than its neighbour and competitor, the Port of Montreal, which, it says, is reached by a tortuous ocean channel, the Montreal route being 1,600 miles longer than the new Albany one to all countries except Northern Europe, and much more of the kind.

TWO GREAT PERILS

This is undoubtedly the accepted time in which to commence a serious undertaking which has a fair chance of being useful and successful. It will provide much-needed employment; give an impetus to business. The prices of materials are low, the United States is seemingly prepared to make a major contribution, and Ontario and New York should pay handsomely for the hydraulic power. It is impossible, however, to overlook that these big government works invariably cost twice as much as the estimates. For example, the Manchester ship canal estimated at \$40,000,000 cost \$80,000,000. The Suez Canal, estimated at \$30,000,000, cost \$80,000,000. The Panama Canal, estimated at \$150,000,000, cost \$385,000,000. (The total investment of the canal is said to be \$535,000,000.) The Chicago Drainage Canal, estimated at \$16,000,000, cost \$53,000,000. The Welland Ship Canal, estimated to cost \$50,000,00 with interest covering the delay in completion, may run up to \$150,000,000. Montreal Harbour Bridge, estimated

at \$10,000,000, cost \$19,500,000. Not all of these works offered the immense contingencies that the St. Lawrence River presents. Even the first attempt at a Lachine power and navigation canal, started in 1669, cost the Seminary of Montreal more than twice the estimates.

As regards transportation expenditures in Canada: Up to the end of March, 1931, the Canadian Government had spent on the construction and enlargement of canals in the Dominion \$226,000,000 in round figures, or within a million dollars of the cash subsidies granted to railways by Dominion, Provincial and Municipal governments, exclusive of nearly 50 millions of acres of land grants, enormous bond guarantees and loans. As Friar Lawrence said to Romeo, "These violent delights have violent ends."

Since Congress began spending money for the improvement of waterways down to June 30th, 1931, it is claimed that they have expended \$1,780,620,071 on harbours, channels and canals. This does not consider the canals built by the States and/or private companies prior to the railway era. About \$50,000,000 of this have been spent on the Great Lakes.

Notwithstanding the experiences referred to and extremely large deficits this year, the United States is bound to spend money to bring back prosperity. They have been making exhaustive studies of these rival Great Lakes seaways for a number of years (there is nothing a boy enjoys more than building a dam or diverting a creek), and I have recently become thoroughly convinced that Montreal and Canada face *two far greater perils* than joint ownership in an expensive waterway — one, the new route via Oswego and Albany now available, and the other the possibility of an alternative seaway, even at double the expense, through New York State.

All the foolish statements about waterways do not appear in the Eastern press. In February, a Saskatoon paper gravely made the following announcement:—"The completing of the T. & N.O. Railway to tidewater is creating a certain amount of rivalry in the matter of Hudson Bay ports. It becomes, therefore, a little more important that Manitoba arrange to throw open Churchill with as little delay as possible." Now the rival port referred to is the T. & N.O. Railway new bumping post known as Moosonee, at the foot of James Bay. This rival at the entrance to Moose River is 755 nautical miles from

Churchill Harbour, the terminus of the Hudson Bay Railway, and the entrance to the Moose River at low tide over the bar across the mouth is only 6 feet in depth, said bar being 15 miles below the proposed site of the terminal. The comparative rail distances from Saskatoon to these rival ports is as follows:—Saskatoon to Churchill, 833 miles; Saskatoon to Moose Harbour, 1,474 miles.

This suggestion seems ridiculous if not scandalous, especially under our existing transportation burdens; yet it is not much worse than some of the statements which have been made about the deep waterways, or the actual construction and rivalry of Canadian ports and transportation facilities.

Although I take little stock as yet in the Hudson Bay route, it is unsafe to make any predictions. It may not be used any more than the Northwest Passage which is by far the shortest route from the Atlantic to the Pacific; but as the shipping lane across the Atlantic has been proceeding northward since the time of Columbus, the lanes may well continue to shift. It seems, however, reasonable to include the building of the Hudson Bay road amongst those facilities which blossomed too soon, and as one of the “violent delights” for which we now pay and will continue to pay for a long time.

Curiously, both Montreal and New York are railed at as “attempting for selfish interests, to hold up the finishing touches on the vast inland waterway created by nature herself.” The Middle West criticizes New York severely, and many of the small Ontario papers snipe freely at Montreal, but the Canadian West does not seem much concerned. The grain grower or exporter on either side of the line does not appear to be over-sentimental or worry over boundaries. Perhaps he cannot afford to. The New York brokers who export most of our wheat favour the cheapest route and the best facilities.

A recent speech from a prominent Canadian authority estimated that, if the St. Lawrence deep waterway were completed, there would be a saving in the rate from Fort William to Montreal of from 3½ to 4c a bushel, which would be 3c less than the existing rate via New York. These are figured on a rate of 9c a bushel, which is the rate the lake carriers would like to get and do so whenever they can. But in the last couple of years there has been a surplus of bottoms on account of the depression and dis-

tress rates available, so that, although the rate started off last May at 9c, it came down to 6c by the end of July and probably averaged 7c over the season.

A rate of 6c is considered a dead loss by most steamship operators, but that was necessary to meet the New York combination rate as, obviously, unless there is some severe congestion or other objection, the business is immediately attracted to the cheaper route.

In 1931, the lake rates were so demoralized for most of the season that the rate was only 1½c a bushel from the head of the lakes to the Canadian Bay ports. The early May rate to Port Colborne was 3c.

The big American Upper Lake ore carriers are usually willing to take, in their slack periods, a slightly lower rate from the Head of the Lakes to Buffalo than can be made by the Canadian boats to Georgian Bay ports or Port Colborne, just to keep the boats employed. They cannot discharge at Canadian elevators because of American register, and when the rate to Buffalo drops to 1⅞c or 1½c a bushel, plus the transfer charge of 1c, and 3c for the barges Buffalo to New York, it makes rates of 5½c to 6c to New York. It is claimed that Albany will be ½c less than New York.

The Port of Albany is figuring on a rate of 3c per bushel from the Head of the Lakes to Oswego by the large boats, and 2c per bushel for the tow barges, Oswego to New York, making a rate of 5c, and the newspapers have announced that the barges are willing to go as low as 1¼c but, of course, to this would have to be added a small charge for elevation.

INADEQUATE FACILITIES

In the face of these low rates on the Lakes and a serious reduction in the grain offered, Montreal has had on hand as many as 80 lake-canal type boats waiting to be unloaded, and even last year some of them were here almost two months. How can our Canadian boats possibly afford to meet competition and in addition suffer the severe losses by these delays at Montreal? (We must not overlook that out of these low rates they have to pay to the Harbour Commission six-tenths of a cent for the delivery of the grain.) Nowadays, the grain must be on hand for quick sale and shipment, which also enables the shipper to take advantage of ocean distress tonnage, and these delays must ulti-

mately either force the ships out of the service or increase the inland rates. As Canada can hardly afford to subsidize its grain carriers pending the completion of the St. Lawrence waterway, any increase in the rates to Montreal can only be absorbed by decreased transfer costs at Montreal and lower ocean rates, to preserve even a portion of the grain business for the Port of Montreal. The eastern Canadian railways cannot help because they could not meet the low water rates to Albany or New York. One form of assistance would be for the Harbour Commission to provide additional elevator space, which it has not seemed to favour hitherto, claiming that it would have a very small effect on the congestion. This view is shared by some of the brokers and of course would be correct if the grain went into the new elevator and remained there indefinitely, but the expectation of course is that it would only be in transit. In comparison with Albany's 13,000,000-bushel elevator added to those of Buffalo and Oswego, or a total of 57,000,000, Montreal's 15,000,000, Sorel's 2,000,000 and Quebec's 4,000,000 obviously are inadequate. If the elevator capacity at American seaports served by Buffalo are added, the American total is about 100,000,000 compared with total Canadian storage Port Colborne to Quebec of 36,000,000, and by far the bulk of the traffic which each country is striving for originates in Canada.

The rate on the barge canal from Buffalo to New York, which started off in May, 1930 with 5c, dropped to 2½c in July and fluctuated from 5 to 6½c and back to 5½c for the rest of the year. The barges could do this because of the tremendous west-bound traffic on the New York canals. Out of Montreal, as I have stated, most of the boats go back light, the carriers, when rates were normal and lots of grain offering, not being so concerned about a return movement. In the last couple of years, however, they have been trying to work up shipments of import sugar, pulp, fertilizers, etc., for points on the Lakes.

THE ST. LAWRENCE SEAWAY

A press dispatch the other day indicated that the Maritime Conservative members felt they would not be interested as Maritimers in a deep St. Lawrence waterway. Perhaps they remember that when the Hudson Bay railway was projected, they were told that this would enable Sydney coal to be delivered on the Prairies. Nevertheless, it is essential that the Maritimes extend their coal markets, and it is doubtful if they can seriously

compete in Ontario until the waterway is completed and at least the medium sized 400 feet lake carriers come down the river prepared to accept westbound coal cargoes at Montreal or Quebec for 25c or 30c a ton, which they might well be glad to do.

I will not venture into the varying costs of the proposed canal because that is affected by the extent of power development, although I trust not the full 5,000,000 H.P. The various estimates by joint international engineers run all the way from \$219,000,000 for navigation only, to \$900,000,000, for a 27-foot channel, depending upon the amount of power developed, from which should be deducted \$13 or \$14,000,000 to cover the work done by the Beauharnois Corporation on the Soulanges section, plus possibly some allowance for the lower costs of materials. To this must be added quite an amount for improvements to the river and lake channels and entrances to lake ports.

The normal canal-sized boat is 250 feet long, carries about 95,000 bushels of wheat, weighing about 2,500 tons, on a 14-foot draught and can now be built for \$175,000,000. The 400 feet upper lake craft carries 270,000 bushels, weight 7,000 tons, on a 19-foot draught, and the value is now \$350,000.00. The big 600 feet ships which can carry 500,000 bushels or 15,000 tons on a 19-foot draught would probably cost \$750,000.00, dependent upon the specifications. I think there is only one of these ships under Canadian register, the S.S. "LEMOYNE"; in fact, she is likely the largest fresh water vessel in the world. The draught of 19 feet is governed by conditions at the Soo locks. Drydock accommodation must be provided on the Lower Lakes for these big Upper Lake carriers and the insurance underwriters must be satisfied that the channel is safe, otherwise they will not come below Kingston and Oswego. In support of this statement I have only to point out that none of even the medium-sized Upper Lake craft have yet unloaded at the Prescott elevator, because of objections by the underwriters.

The New York barge canal route, of increasing popularity, sets the pace and makes the rate.

The world has just experienced two wars, the first one military, the second economic; and the third will be commercial, and we must prepare for it.

In an address recently given in Montreal by the Chairman of the Harbour Commissioners, the Hon. J. H. Rainville made this significant statement:—

“Canada cannot compete with her foreign rivals with any chance of success except by completing the development of the St. Lawrence in such a way as to bring about lower transportation costs.”

STRONG AND OF A GOOD COURAGE

Admittedly, the bottom of a depression is not a good vantage point from which to see ahead, but the great achievements and discoveries of our race have nearly always been carried through in times of stress. One does not need to go back beyond the glorious reign of Elizabeth for this, or to recall that in the troubled reign of Charles II, took place the first permanent settlement of the Carolinas, the formation of the Hudson Bay Co., the capture of New York from the Dutch, explorations to discover the northwest passage, the masterpieces of Christopher Wren, and scientific research generally.

When England was confronted by a large part of Europe and was also engaged in the American Revolution, Robbie Burns continued to compose deathless odes to his various Marys, while the great explorer, Capt. Jas. Cook, was engaged in his great discoveries which added so much territory to Britain. Only a few days after the signing of the Declaration of Independence he sailed from Plymouth to endeavour to settle for the British Government the question of the northwest passage.

In Canada, during the first cholera outbreak, work was started on our first railroad. In 1850, there was a tremendous business depression over the American Continent and it was stated that the population of Montreal had been reduced by 4,000 people. In spite of this the very next year many charters were granted for new railway companies, and the first line north of the river opened and the railway inaugurated from Longueuil to Richmond the year following. The deepening of the St. Lawrence ship channel was undertaken. Nor were spiritual affairs neglected, the Anglican Diocese of Montreal being formed, and the first Y.M.C.A. on the continent organized.

The next year was another year of cholera, and a tremendous fire destroyed over 1,000 buildings, but the city went on undaunted and welcomed the first Trans-Atlantic mail steamer. More cholera — the Crimean War; through which David Thompson continued his explorations through the Rockies.

To skip to 1915, during the Great War the Canadian Northern Railway was completed through to the Pacific Coast. I think it

was in 1921, during a depression, that Dr. Banting produced insulin, and so on.

Depression has never been permitted to hold back our progress in science, commerce or transportation, and we cannot afford to let it do so now.

TRAFFIC ADVISORY COMMITTEE RECOMMENDED

Before bringing this discussion to a close I am going to take the liberty of making a few suggestions which, I think, should be carried out in the interest of the Port. In the first place, all the American ports have advisory and traffic committees, some of them, especially the southern ports, maintain representatives at New York and Chicago. The Port of Albany, which announces that it is going to become the most active grain port on the Continent with through rates lower than via the Port of Montreal, has a traffic advisory committee composed of representatives of railways, steamships and industry, which has no doubt been of great service in securing reduced inland rates to and from the Port of Albany and the placing of it in the North Atlantic range so that it enjoys the same ocean rates as the Port of New York. Can a big business function in a competitive world these days without a Sales and Traffic Department? Why should the Port of Montreal not make use of the experience and knowledge of the many qualified transportation people located here.

To illustrate the need for such an advisory committee, having the development and welfare of the Montreal Harbour as a paramount consideration, may I point out that just at this moment the Canadian railways serving the Port are considering increasing the rates on export traffic by 2 cents per 100 lbs. or 40 cents per ton.

The Interstate Commerce Commission recently gave authority to the United States Railways to impose a similar increase on practically all traffic moving within the United States, including such traffic as may be termed international, i.e., shipments moving from a U.S. point to a Canadian point or vice versa. This increase automatically applies to export traffic moving from U.S. points to U.S. ports, and also on similar traffic from U.S. points to Canadian ports.

There has been a measure of parity between the export rates from Canadian shipping points (approximately those west of Toronto) to Canadian and American ports and those from certain U.S. shipping points to the American ports. In some cases this

parity has been essential in order to enable the Canadian port to compete, for example, rates from Hamilton to St. John, N.B. and Halifax, the longer distances, were made the same as the rates to New York via the Niagara frontier.

This 2 cents increase I have referred to is commonly known as the "emergency charge". It was the result of a demand from the American railways for a general increase in freight rates of 15 per cent for reasons with which you are all familiar. This charge is temporary and is to expire in March, 1933, but may be extended if necessary. The revenue accruing to the railways from this emergency charge is pooled and lent to those railways in the United States who may be unable to meet their fixed interest charges on senior securities. Under the theory of maintenance of parity a similar "emergency charge," we understand, will soon be imposed on traffic moving from Canadian shipping points to Canadian ports and also to American ports. Undoubtedly the revenues of the railways have suffered along with our general business, and we all require more revenues, but there has never been any parity with American ports on shipments moving from the territory surrounding the port of Montreal for example, and therefore the plea of maintaining a parity is not well founded. Further, our export markets are in a precarious state, and shippers are holding what business there is at considerable sacrifice.

This is, of course, one phase. The other phase I think is even more important, that being the deprivation of an advantage now enjoyed, even if only temporarily, by the ports of Canada. If the United States railways have increased their rates to their own ports for reasons of their own, and after a public investigation extending about 12 months, that seems to be no reason why the Canadian rates should be increased to Canadian ports. As Canadians, and dependent, as I have shown, on exports for 90% of our major products, we should seize the opportunity of capitalizing upon the barrier erected by the United States against its own traffic.

By adopting the American scheme we are helping our competitors, with only a slight financial benefit to our Canadian railways, which may be more apparent than real unless our exporters are able to meet the competition in the world's markets. I venture the opinion that our harbour authorities here, or for that matter at other Canadian ports, have heard little, if anything, of this important question.

MORE FACILITIES NEEDED

The Port of Albany even makes a point in its last annual report about the congestions and delays at Montreal. The lake vessels serving this port must get a prompt turn around in order to function. The shipping season is short enough as it is. It may be that some despatch control can be evolved whereby grain carriers will move to seaboard as required, on a permit system, similar to the movement of rail shipments for export, but unless this is practicable, or there is an immediate change in the present market conditions, in order to hold our trade, I see nothing for it but to erect, without delay, a 5,000,000 bushel house, possibly at Windmill Point, adjacent to elevator "B", with facilities for the rapid and economic transfer from one elevator to another. For example, at present, elevators "B" and 3 are completely isolated from the two central elevators.

May I pause here for one more illustration. In 1914, just prior to the War, a western grain man, considered the best posted man of the time, objected very strongly to any additional elevators at Fort William and Port Arthur, which then had a capacity of 23,000,000, saying, "there are far too many now!"

By 1931 the storage had increased three-fold, to 95,000,000, and all filled tight.

The Harbour also requires a 5 or 6-storey warehouse to accommodate the growing lower river and gulf trade, and also to place Montreal in a position to compete as a transit port with the United States ports. At the present time there are rarely any unused sheds. When an outside ship comes in requiring space in which to discharge or accumulate a cargo, the Harbour Commissioners are usually obliged to search around for some shed, under lease to a regular steamship line, which may be temporarily available. The new warehouse must be on the water edge, so as to avoid unnecessary cartage or switching. The river and lakes are available for the handling of domestic as well as export and import traffic, and this trade should also be encouraged. It is by far the largest business handled by the American inland water carriers.

THE FUTURE

This paper has devoted considerable space to the movement of grain because it constitutes more than two-thirds of the total freight using the St. Lawrence canals. It is the

principal commodity available, and the future of Canada depends very largely on its successful production and marketing. I think the comparative figures given, although I have given as few figures as possible, show that a great deal of Canadian grain, and some American, is still tributary to the eastern seaboard; also that Montreal is not holding her own. Further, that a deep waterway to the Great Lakes is inevitable, and that Montreal stands to gain rather than lose if the St. Lawrence route is chosen and that, on the contrary, if the New York State route is preferred, it will be a very serious blow indeed.

Some people profess to see in the friendly and co-operative attitude of our good neighbours a further indication of the gradual trend away from the alleged isolation of the United States; others shake their heads knowingly in the direction of the turbulent rapids of the St. Lawrence.

If this friendly, sensible and unavoidable movement extends to the tariff, the interior connecting southern waterways may conceivably again bear vessels, crews and supplies from Montreal after a lapse of 150 years.

One hundred years ago, when Montreal had a population of less than 30,000, it did not hesitate to dig waterways, build ships and provide cargoes for them. Its transportation and marketing problems were handled sagaciously and audaciously. Undoubtedly, at times, we have been more audacious than sagacious, and it is evident that, like a great many other new countries, we have forgotten the art of management in our urge for expansion. Nevertheless, Montreal has been the greatest grain port in the world for the past ten or eleven years, and the descendants of the sturdy pioneers, who were strong and of a good courage, and who held Canada together in its period of formation, surely have inherited along with habits of industry and stability, the inner qualities of self-reliance and character, which will carry them through to new heights of progress and humanity in the years which lie ahead.

