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## WEST RIDING SHIP CANAL.

How the Capital Could be Raised.

### MR. BRAIME'S REPORT.

Mr. T. F. Braime, President of the Leeds Chamber of Commerce, presents in the current issue of "The Chamber of Commerce Journal" a personal report upon the possibilities of a ship canal between Goole and Leeds, in the hope that it may be of service to those who have no data upon which to form an opinion for or against its construction.

Recalling that, on August, 27 last year the Prime Minister addressed a letter to 150,000 employers of labour asking them to try and find work for the large numbers of unemployed miners and others, Mr. Braime says this letter provides an opportunity of trying to put into concrete form the possibility of using part of this labour in the construction of a West Riding ship canal between Leeds and Goole as a joint concern or partnership of the Aire and Calder Navigation and the Government, following the lines of the Suez Canal, which was constructed by a private company, our Government afterwards—through purchase of shares—controlling a large proportion of the share capital.

Or alternatively the canal might be constructed as the joint concern of the present owners of the Aire and Calder Navigation, the Corporation of Leeds, and the principal cities of the West Riding and the Government.

Under the first scheme, it, would probably mean the ship canal being constructed by the present Aire and Calder Navigation with the money provided by the State in the form of a grant, on behalf of the unemployed, the Aire and Calder Navigation having a first charge on the undertaking, being guaranteed a rate of interest on its capital, with, say, participation in the surplus profits earned each year. If the Leeds Corporation and other cities in the West Riding were joined, Leeds might find, say, one million pounds, and each other city a proportion according to the advantages to be gained, those loans or shares being a second charge on the undertaking, with rights to share the surplus profits on a fixed or graduated scale, any balance going to the Government. In other words, the Government would be creating national wealth by employing those men instead of paying out national capital for no return, and, at the same time preventing their demoralisation through lack of something to do.

### FACTORS TO BE CONSIDERED.

There are many factors, he says, to be considered before a definite decision could be taken to construct this canal under either of the above alternative methods.

Is there a possibility that traffic would so increase as to provide a reasonable profit on the capital cost under either scheme?

Would the construction and operation of this canal cripple or entail losses to other forms of transport, such as our railways, and newer forms of transport, road, airways, etc.

Would the gain through the reduced freight charges on inward and outward cargo be sufficiently great to encourage new industries to settle in the vicinity of the canal, and especially at the Leeds terminus, owing to the facilities offered?

These questions, and many others (says Mr. Braime), could only be settled after an exhaustive inquiry has been held by experts, who would have the Manchester Ship Canal as a guide.

After pointing out the possibilities which would arise as a great distributive centre, and drawing attention to the wide range of traffic, such as timber, flour milling, leather, paper, soap, oil, shipbuilding and ship repairing, its well as export advantages, Mr. Braime, turning to consider the responsibility for cost, says, theoretically and practically, if unemployment is to be allowed to continue on its present scale for a lengthy period, the ideal solution would be the first mentioned—the Aire and Calder Navigation to construct the canal with money to be found by the Government through the Labour Department, the capital of the Aire and Calder Navigation being put upon a

guaranteed basis, with a first charge upon the whole undertaking and participation in any surplus profits, the Government to take the remaining profits, whatever they might be. Failing that, the Leeds Corporation might find one or two millions on second mortgage, with a guaranteed interest on a smaller scale, which would be justifiable owing to the great increase on ratable value which would accrue to the city if the canal were built. In this case the Government would come in for any surplus profits after the Aire and Calder Navigation and the Corporation were satisfied.

FIVE TO SEVEN MILLIONS.

Up to the present, the difficulty of constructing a ship canal between Leeds and Goole has been the raising of the necessary capital, not the fear of being unable to carry the work through to a successful conclusion. The constructional part offers no difficult whatever.

The Goole and Leeds canal has been estimated to cost five to seven millions. Mr. Braime takes seven and a half to ten millions as the cost of constructing the canal and the necessary docks at Hunslet, including the various wharves and recesses on the sides of the canal for loading ships, with coal, etc. including the provision of large open areas, at, say, Castleford, where ships could turn for the outward voyage.

This estimated cost, with the present issued share capital value of the Aire and Calder Navigation of two and a half million pounds, would make the capital cost twelve and a half millions in round figures. The existing Aire and Calder Navigation earn approximately net profits of £180,000 to £200,000 per annum. If the profit of £180,000 earned last year be divided as to 1s. per ton on the coal which would absorb £100,000, and the remaining £80,000 profit from the carriage of ordinary goods and interest or dividend received from other securities, this income would be available for payment of that suggested guaranteed interest or first charge on the Undertaking.

It is possible there has never been a time more opportune, or ever likely to be one so favourable, as the present for successfully carrying out this great scheme.