

F₁₂₉

B₈ M₃

F 129
.B8 M3
Copy 1

210

P 8 142
THE
PAST AND FUTURE OF BUFFALO.

A PAPER

READ BEFORE THE

AMERICAN BANKERS' ASSOCIATION,

AT NIAGARA FALLS, AUGUST 10, 1881,

BY HENRY MARTIN,

President of the Manufacturers and Traders' Bank of Buffalo.



BUFFALO:
THE COURIER COMPANY, PRINTERS.
1881.

THE
PAST AND FUTURE OF BUFFALO.

A PAPER

READ BEFORE THE

AMERICAN BANKERS' ASSOCIATION,

AT NIAGARA FALLS, AUGUST 10, 1881,

BY HENRY MARTIN,

President of the Manufacturers and Traders' Bank of Buffalo.



BUFFALO:
THE COURIER COMPANY, PRINTERS.

1881.

THE PAST AND FUTURE OF BUFFALO.

THE following brief outline of the commercial growth of Buffalo, may be interesting, showing as it does the rapid progress made in the past few years, and foreshadows the future destiny of the "Queen City of the Lakes." Buffalo has passed through many long and painful struggles for commercial existence, and at times such adversity was experienced as endangered her prosperity, not only from deficiency of capital, but from the torpor or apathy of her residents.

These drawbacks have nearly all been removed, and it is to be hoped that our city has entered upon what may be a long period of progress. The influence of this new and enterprising spirit is now being felt with substantial results to our city's welfare. Buffalo's advantageous position, at the foot of the inland lakes, its railroads stretching out in every direction, its fleets of propellers and sail vessels, its diversified manufactures, its admirable and well managed public institutions, its great religious and social advantages, its well known salubrity of climate, all tend to increase its commercial prosperity.

The aggregate receipts of grain at Buffalo during the year 1880 were 175,000,000 bushels. The receipts by lake in 1836 were only 1,239,351 bushels; in 1846, 13,366,168 bushels; in 1856, 25,753,967 bushels; in 1866, 53,288,087 bushels; in 1877, 65,199,291 bushels; and in 1880 they reached to the large quantity of 112,042,927 bushels.

The tonnage of cement, salt, railroad iron, besides miscellaneous articles, exported west by lake, has correspondingly increased, and is in the aggregate immense. No grain was received here until 1835; previously flour, grain, pork, etc., were sent westward from Buffalo for the early settlers. In 1838 the first cargo of grain reached here from Chicago, the pioneer load of present immense business. There are four large steamboat lines plying between this port and western points, their combined fleets numbering fifty-two vessels, varying from 1,650

to 2,200 tonnage. To these must be added the tonnage of the smaller lines and of the vessels run by individuals. In 1855 the average wheat-carrying capacity of a sail vessel was from 16,000 to 18,000 bushels; in 1865, 25,000 to 30,000 bushels; in 1875, 40,000 to 50,000 bushels, and now 50,000 to 70,000 bushels. The largest sail vessel now on the lakes carries 2,300 tons of freight. In 1855 the average wheat-carrying capacity of a propeller was 18,000 bushels; in 1865, 25,000 to 30,000 bushels; in 1875, 40,000 to 50,000 bushels, and now from 70,000 to 80,000 bushels. The largest propeller lately brought to this port 2,648 tons of freight.

Ship-building was carried on to a very great extent many years ago, but through labor troubles declined. The past few years have witnessed a healthy revival of the trade, and our facilities are now being pushed to their fullest extent. Iron ship-building was commenced in 1862. Since then many splendid vessels have been built here, and new and improved machinery is now being erected to make this business a permanent one. Nearly all the new mammoth steam craft that have been built the past two years, and that are now building, are of iron.

The first American vessel reported built on Lake Erie was constructed at Four-mile Creek, near Erie, Pa., in 1797, and was called the Washington. It is said that in 1843 the first freight propeller was built called the Hercules. The propeller and consort system was first established in 1870, and has become a great factor in solving the question of cheap transportation. The total tonnage of the arrivals and clearances at this port in 1852 were 3,092,247 tons. Last year it reached 5,995,747 tons. The tonnage of this port of all kinds, not including canal-boats, comprised on the 30th of June, 1880, 212 vessels of 99,543 tons. The receipts at the custom house are steadily increasing—in 1878, \$441,411; in 1879, \$518,502; in 1880, \$765,947.

Great improvement has been effected during the past twenty-five years in facilitating here the movement of our marine commerce by the erection of lighthouses, the construction of piers, harbors and breakwaters, deepening the river and cutting slips, building elevators, floaters, and chutes for handling coal. A life-saving station has been established, with all the latest appliances. The signal service has worked greatly to the advantage of our vessel interests. In 1847 valuable improvements in our harbor facilities were afforded by the commencement of the construction of the Erie and Ohio basins, and the Blackwell Canal and connecting slips. In 1825 the great inland

State water-way, the Erie Canal, was completed, with a depth of three and a half to four feet of water. Boats 78 feet long, 14 feet wide, and of 75 tons burthen, then floated on its channel. On the enlargement in 1862, to the present time, seven feet of water were obtained. The boats are now 96 feet long, 17 feet wide, and from 225 to 240 tons burthen. Double locks were commenced and completed the whole length of the canal in 1875. The modes of propulsion are by steam, mule and horse-power, and the Belgian Cable System of towing.

The yearly cereal movement on the canal varies considerably according to the amount of agricultural products raised. A comparison of the total tonnage, and the value of all articles of merchandise for a few years may be of interest :

	TONNAGE.	VALUE.
Eastern movement, 1860...	1,113,754	\$24,412,883
Eastern movement, 1870.....	1,303,904	37,333,208
Eastern movement, 1880.....	2,286,992	59,539,048
Western movement, 1860.....	246,184	Not rep'd.
Western movement, 1870.....	633,849	29,591,501
Western movement, 1880.....	557,604	33,692,510

The following statement shows the export of grain by the canal for a series of years :

	BUSHEL.
1866.....	44,792,233
1870.....	29,813,236
1874.....	41,232,744
1880.....	71,547,115

The number of days of canal navigation during the past ten years varied from 197 to 237. With a free canal doubtless there would be a very large increase of traffic, conducive to the welfare of our local interests as well as to that of the State generally.

Among our many important business interests, a reference to our coal trade must be made. The receipts here in 1852 were only 60,000 tons; in 1869, 299,914 tons; last year (1880) 1,813,095 tons. In 1861 the first anthracite coal company doing business here had great difficulty in disposing of 25,000 tons during the season. Now new avenues are being opened to the mines, and all the large companies have their depots at this point, which is destined to be the great distributing central station. The handling of coal by means

of the chutes is performed with almost marvelous rapidity, and the labor of days is now only the work of a few hours.

The first of the great labor-saving institutions, the grain elevator, was built here in 1843, with a capacity of 55,000 bushels storage, and 15,000 bushels daily transfer. Now there are thirty-six elevators, transfer elevators and floaters on the Buffalo River, with a united capacity of 8,208,000 bushels, and 3,216,000 bushels transfer. The estimated value of the property is \$6,000,000.

The International Bridge, commenced in May, 1870, was completed at a cost of \$1,500,000 in gold, and opened November 3, 1873. The length of the bridge and approaches is 3,630 feet. The traffic over this bridge is immense.

The first railroad terminating in this city was the Attica and Buffalo Railroad, which was opened for traffic on January 8, 1843. In 1854 seven roads had their depots here. Now there are sixteen, and more coming within this and next year.

The growth of the live stock trade can be readily seen by the following figures: Receipts in 1857 were 108,203 cattle, 117,168 hogs, and 307,549 sheep; in 1880, 786,386 cattle, 2,251,815 hogs, 1,033,200 sheep, and 20,768 horses. The East Buffalo yard for the accommodation of the stock covers fifty-two acres of ground, well paved and watered, and provided with large sheds; also chutes for loading and unloading the cars.

The Board of Trade was organized in 1844 and incorporated in 1857. It has exercised an important influence by affording strong arguments and material statistical aid towards promoting the extension of our business enterprises, and by suggesting and watching legislation bearing upon our canal and other commerce. A committee is now at work selecting a site for the building of a handsome and suitable edifice for the future meeting of its members.

Until a few years since our capitalists' attention was absorbed by our lake and canal commerce, especially grain. Now manufacturing interests and industries of every kind receive all the help they require from our banks. They are fostered and encouraged in every way with gratifying results. As a location for manufacturing capital, our city has now scarcely any superior. It is with emotions of pride and gratification that we discern the evidences of our city's healthy and vigorous growth. New enterprises are being started, railroads multiplying, and manufactories steadily increasing. The admirable location of Buffalo for manufacturing, and the necessity for diversified

industries, have induced our capitalists to invest large amounts of money in furnaces, rolling-mills, and factories of various kinds. The peculiar climate enables the workmen to labor with less fatigue and perform a good day's work in the hours allotted. With the lakes stretching to the westward and the canal to the eastward, together with the railroad facilities to all points, means are furnished for shipping manufactured products to all parts of the country and the Dominion of Canada at low rates of freight. Coal, coke and iron can be laid down here at minimum rates.

The stove works located here are the largest in the world. The iron, nail and malleable iron works, the planing-mills, the starch and grape sugar works, and soap factories, chemical works, and fertilizer works are among the largest of the kind in the country. To these must be added car-wheel works, the marine and other engine works, iron bridge building, the manufactories of water-mains and gas-pipes, chairs, nuts and bolts, and mill-furnishing goods, threshing and reaping machines, and all kinds of agricultural implements, freight cars, scales, etc., etc.

The malting interest is a very important one; twenty-eight malt houses were in operation last year, turning out over 3,000,000 bushels of malt.

Heretofore the discrimination in freights on oil to Cleveland has worked unfavorably for our interests here. But now with two pipe-lines and our facilities for refining, we are in a condition to compete with any other city. The Buffalo and Rock City Pipe-line Company extends from Rock City, Cattaraugus county, to Buffalo; pipe four inches in diameter, and capable of delivering 5,000 barrels per day. The Atlas Refining Company has a capacity of 1,000 to 2,000 barrels per day. And in addition to these are the Star Oil Company and several others doing a large business.

The leather trade is also a very important feature, particularly hemlock sole leather, in which Buffalo is acknowledged to take the lead in regard to quality. The estimated value of leather manufactured here of all kinds is as follows:

Harness and Upper Leather.....	\$1,000,000
Leather for Belting.....	400,000
Sole Leather.....	4,000,000
Sheepskins.....	1,000,000

Boots and shoes are also extensively manufactured. The production will aggregate nearly \$1,500,000 per annum, and this business is constantly increasing.

In 1850 there were twelve banks, with a capital of \$1,495,000. In 1881 there are eleven banks, capital \$3,000,000, as follows:

Manufacturers and Traders'.....	\$900,000
Farmers and Mechanics' National.....	200,000
Bank of Attica.....	250,000
Bank of Buffalo.....	300,000
Bank of Commerce.....	200,000
Merchants' Bank of Buffalo.....	300,000
German Bank of Buffalo.....	100,000
Marine Bank.....	200,000
First National Bank of Buffalo.....	100,000
White's Bank of Buffalo.....	200,000
Third National Bank.....	250,000
Total.....	<u>\$3,000,000</u>

Besides, there are four savings banks, having on the first of January, 1881, as follows:

Erie County.....	\$10,013,090.00	from 30,074 depositors.
Western.....	2,335,716.98	" 4,274 "
National.....	1,077,371.74	" 2,841 "
Buffalo.....	<u>7,628,000.15</u>	" 20,744 "
Total.....	\$21,054,178.87	57,933

There are now incorporated a dime savings bank and a safety deposit and trust company.

We have three insurance companies, viz., the Buffalo German, the Buffalo, and the Union, with an aggregate capital of \$500,000 and assets amounting to \$1,281,937.26.

The bank and insurance buildings are well and substantially built, and are an ornament to the city, as are also the public buildings, particularly the City and County Hall, which is looked upon as a model of architecture.

Buffalo has as good if not the best fire and police departments in the country, and its public and private schools, colleges, libraries, etc., are not excelled by any other city.

Its parks and driveways are among the most extensive and diversified in the country, reaching nearly around the city.

And, in conclusion, we trust that the "Queen City of the Lakes," which, with a steady and stable growth, has reached a population of over 160,000, with its healthy climate, its unlimited supply of pure water, and its vast facilities for transportation, will have a long and continued era of growth and prosperity.

THE PAST AND FUTURE OF BUFFALO.

[From the Buffalo Daily Courier, August 11, 1881.]

THE paper prepared for the Bankers' Convention by Mr. Henry Martin, President of the Manufacturers and Traders' Bank, on the growth and prosperity of the city of Buffalo during the last twenty-five years, and made a part of yesterday's proceedings, is a noteworthy document, and its appearance may well be deemed to mark an epoch in the progress of the material interests of our city. The main scope and intention of the paper are, by an interesting and comprehensive presentment of facts and figures bearing upon the growth and advancement of our city, to bring into full and prominent view the Buffalo of to-day as distinguished from the Buffalo of the decade which followed upon the close of the first half of the century. In the retrospect which is thus made, and in the inevitable comparisons which go along with it, we are able to trace in a plainer light the nature of the mistakes which have been made in the past, as well as the clear opening which now apparently presents itself looking towards a future of business prosperity founded on conditions of the most permanent and stable nature.

The view taken by the early founders of the city was apparently that of simple confidence in the strength of the natural advantages conferred by geographical position, and for a long period in the city's career it might be said that the oriental view prevailed that God had made Buffalo a great city by placing it at the foot of the chain of lakes, and that our citizens had but calmly and patiently to await their high destiny without any too serious struggle or effort of their own to advance it or bring it finally about.

With the completion of the Erie Canal in 1825 it was believed that all the conditions required in order that Buffalo should merit its title of "Queen City of the Lakes," had been fulfilled; and yet, with the Erie Canal in operation during a full quarter of a century, the city in 1850 had grown to be but one step in size beyond a village, its population being but 42,261. Soon after the opening of the second half of the century two great hostile enterprises were carried to completion, each of which involved a serious attack on the claims and prestige of Buffalo: the western terminus of the Erie Railway was made at Dunkirk with the view of developing into importance such facilities as that place afforded for the purposes of a harbor and port of transshipment in the general eastward and westward movement of freight and passengers; and the Welland Canal, effectually enlarged, was made into a highway for the carriage of goods, its projectors thus seeking a reversal of the decree which, by giving to the Niagara River its marvel of beauty in the great cataract, had seemed to ordain for all time that so far as pertained to the uses and ends of commerce the waters of the great inland seas should not flow down beyond our docks and piers. Another direct blow at the rights of Buffalo as a distributing point between the east and the west was given a little later in order of time in the construction of the Great Western Railway of Canada, and in the laying of a connecting branch of the Central road direct from Suspension Bridge to Rochester. In

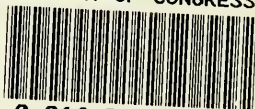
respect to the current of railway travel which continued for many years to pass over these roads, the position of Rochester was aggrandized, and Buffalo was accorded privileges scarcely equal to those of a common way station. All the while that consequences adverse to the prosperity of our city were being worked out from the enterprises which have been mentioned and others of less import, the great facts of nature existing to our advantage were necessarily remaining as before; yet for a long period there seemed to be among those who were the leaders in our business interests a want of grasp to bring into activity in our behalf the elements of commercial power which from the first have never been absent. Even in bringing about the results which are the logical due of a lake port and railroad center in propinquity with the Pennsylvania oil regions, Cleveland, with advantages inferior to our own, has been before us in the quick and facile adaptation of means to ends which are also perfectly and surely at our command. Nevertheless, since the year 1850 the population of Buffalo has quadrupled, and the last twenty years have been exceedingly fruitful in the development of a net-work of railways for reaching out into the deposits of coal and oil which lie relatively near to our hand—immeasurable and inexhaustible sources of commercial wealth. The statistics which are given in the paper to which we invite attention relative to the extent to which Buffalo has become a port for the reception and transshipment of coal possess great significance. The completion also of the pipe-lines, which produce an effect in the transmission of a ponderous commodity almost analogous to the marvel wrought by the telephone in the carriage of intelligence, merits prominent mention. The building of the international bridge and bringing into the city of the lines of railway which cross it were necessary measures of self-protection which were put into execution none too soon. And the active spirit of railroad enterprise which has been on foot within the present year, involving schemes and connections of the most broad-reaching scope, are a substantial sign and pledge of a large and brilliant further advance in the general prosperity.

Now, what, to sum up in brief, are the distinctive advantages which Buffalo possesses at the present time, and which give it the promise of a progress more pronounced in the near future than it has as yet achieved? The kind of nearness which, as the result of the enterprise and public spirit of our citizens, we now have to the fields of coal and oil which lie behind us, has been referred to. The facilities, natural and artificial, of lake and canal, come to possess more and more of significance practically as the process of development goes on which rounds out to them an employment. Chief among our choice endowments must be considered nature's gift of an unparalleled climate. The labor of men can here be brought to its full capacity more days in the year than in any other city of the American Union. Consider for a moment the disparity in this respect between Buffalo and any city lying under the dog-star, as, for instance, Cincinnati. We quote from Appleton's American Cyclopaedia that "according to a report on vital statistics for 1872, Buffalo was the healthiest city in the United States, the death-rate being only 13.9 per 1,000." Such, moreover, is the extent of our city, its surface so broadly spread out, that the soil is cheap, and substantial homes for working men may be owned by them at a minimum of cost. Taxation, which is the great incubus on the prosperity of American cities, is more likely to decline in the future than to increase, as many of the great objects of municipal outlay have been already provided for, and

the process of reducing the debt has been fairly begun. There is much in our surroundings and location to furnish attraction to the working man. The resources of the lake and river, and of free parks and libraries are at his command to beguile with delicious pleasures the hours of rest and recreation. A system of public schools is in operation for the instruction of the youth which will compare favorably with that of any other town of similar size. Whether the point of view be that of the capitalist or of the laboring man, the conditions for commanding favor are equally propitious. Our need is that capital should be inspired with the confidence in the coming great future of Buffalo which the facts and figures which have been collected and presented go very far to justify, and the able and veteran banker who has taken the pains upon him at this time to prepare and present this valuable and interesting paper to a convention composed of men who are in large measure the representatives of the capital of the country, has done for the interests of our city an important and welcome service.

L. OF C.

LIBRARY OF CONGRESS



0 014 220 737 0



LIBRARY OF CONGRESS



0 014 220 737 0.

