# **Channeling Energies**



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Robert is Planning Director of the Welland Canals Society. The W.C.S. is unique coalition of business, tourist, recreational and heritage organizations. It was formed in 1986 to facilitate development along the corridor of the old and new canals in Niagara. The W.C.S. is presently funded by the Federal Governments' Innovations Program.

Shipley is an author with several history books to his credit, a widely published journalist and a community organizer. He works closely with several other experienced staff members and a dynamic Board of Directors. Their goal is the realization of their shared vision of economic development based on the heritage of the communities along the Welland Canals.

Tourism is the fastest growing sector of the Canadian economy. By the year 2000 there will be more jobs and investment opportunities in tourism than any other industry. But, like any growth potential area, those wishing to take full advantage of it must analyze their market, and focus their efforts in the most effective way in order to be successful. The Niagara Region is in an extraordinary position to benefit from the revolution in tourism growth.

Niagara Falls is one of the world's greatest tourist attractions. Over 8000 people are already employed in the tourism industry in the region. Over \$300 million in annual revenues are generated, according to a Niagara Regional Tourist Council report published in October 1987. But while this strong base

and traditional attraction exist in Niagara other studies contain two important warnings. The Falls is not growing as an attraction at the rate it once did and visitor length of stay, the key factor in generating tourist dollars, is alarmingly short.

The challenge, therefore, is how to build on the traditional strength of the tourism industry in Niagara by offering the visitor more to see - a reason to stay that second and third day. The beautiful Niagara Parkway and the charms of Niagara-on-the- Lake are part of that additional offering. But the greatest single attraction for visitors in Niagara, after the Falls, is not the Shaw Festival or the gardens of the Niagara Parkway, but the Welland Canal.

Already and without a concerted marketing effort one site alone on the Canal, the viewing centre at Lock 3 in St. Catharines, is attracting over a half million people a year. At Lock 3 visitors see huge, eight hundred foot long ships being raised in a matter of minutes from one section of the canal to the next. From the new museum and restaurant being built on the site they can see the spectacular flight locks and some of the giant bridges that span the canal. And Lock 3 is just one of many potential attractions on the waterway.

### The Great Untold Story

The Niagara Escarpment is the backbone of Ontario. Three hundred feet high, this ancient stony ridge divides the Niagara Peninsula into an upper and a lower plain. It is the waters of Lake Erie plunging over the Escarpment to find the level of Lake Ontario that forms the mighty cataract of Niagara Falls.

One of the greatest untold stories in North America is the saga of the human response to the Falls and the Escarpment. The building and rebuilding of the Welland Canals not only made the Niagara Region what it is today but shaped the development of Canada and much of the United States. The Welland Canal was initially cut through swamp and wilderness and its 40 wooden locks, tiny by today's standards but large for their time, were a triumph of sweat and engineering. They turned the Great Lakes into the world's most marvelous canal system. After the completion of the first waterway in 1829, work began on a second canal with larger locks made of stone. Only 27 of these new locks were needed to raise ships over the same height and they served well until the next version of the waterway was completed in the 1880's. In its turn, this canal was bypassed by the system we know today which opened (to shipping) in 1932.

This is a tale of sailing ships and steamers, trains and all forms of transportation. The wheels that give the story its sound and motion take their power from water. The industry driven by those wheels has passed through many stages from primitive stones grinding grain to the computer guided robot. Around the mills and along the ever changing waterway, communities have grown and prospered. And these towns are made not just of bricks and stone, timber and steel but most importantly of people.

A handful of merchants led by a War of 1812 veteran named William Hamilton Merritt set out in 1818 to divert water from the Welland River to their tiny mills in the St. Catharines area. They soon found themselves riding a tempestuous bull of development.

Industrial sites along the waterway sold quickly and at a premium. One after another mills sprang up in Thorold, Merritton, St. Cartharines and Port Dalhousie. Every place where water fell eight or ten feet, wheels began to creak and groan as they turned the cascades into the spinning drive shafts of industry.

Water wheels transformed themselves late in the 1800's into electric turbines and so was born one of the first intercity electric street railways on the continent. Eventually it joined all the cities and towns in the Welland Canals Corridor. Electricity helped to expand the area's pulp industry into the major supplier of paper products in North America.

The maturing of the railway network made Welland a prime area for locating industry since that was where main line tracks crossed the canal. The presence of the canals and access to shipped coal and ore turned Port Colborne into one of the world's great nickel refining centres. Its centrality in Great Lakes shipping also allowed Port Colborne to host a huge flour milling capacity.

The settlement of the Welland Canal area has been typified by successive waves of immigration as opportunities presented themselves to newcomers. First American Loyalists, then Irish labourers and Scottish stone masons came. By the end of the 19th century, the steady flow of arrivals from England was surpassed by people coming from Eastern and Sourthern Europe. Each group brought and shared their culture and background until the communities along the canal resembled a rich and colourful carpet of customs and traditions, which are still expressed today through the area's many festivals, arts organizations, churches and are fostered in the educational system.

The backdrop for the Welland Canals Corridor of the 21st century will be the industrial heritage and urban environment, set in a spectacular natural environment. Collections of 19th century buildings and street scapes including many commercial, residential and industrial treasures will be interspersed with the tall modern structures that growth requires. The new and old canals can be celebrated by residents and visitors alike. One of the birthplaces of Canadian history and enterprise can occupy its rightful spot in the tour of the continent. This is the excitement of the Welland Canals Corridor

# The Raw Material of Tourism Development

Tourism Canada's U.S. Pleasure Travel Market Study published in November, 1985 states that "Canada's strength is that it is a touring destination and that we have a unique and important advantage: it is Canada's people, cultures and heritage and ethnic mosaic that make Canada substantively different from America . . . we are attracting a customer to Canada who particularly values the cultural factor . . . yet we have never promoted unique cultural heritage intensively in order to capitalize on its strength in this market".

Recognition of the potential for the Welland Canals Corridor to expand to fill this opening in the cultural and heritage tourism market is not new. Federal and Provincial government studies in the past have outlined the possibilities and some ad hoc development has occurred. What is new is the present impetus for the development. The government initiated studies of the past are collecting dust on planning department shelves but not the latest document.

The Welland Canals Corridor Development Guide is a different kind of plan. It was grass roots and business sector motivated. In 1986, after years of frustration, ten local organizations joined in a coalition called the Welland Canals Society. The groups included the Chambers of Commerce in the canal communities, the Regional Tourist Council, who represent the tourist industry, and heritage associations. It was this community based, non-profit organization that lobbied the Federal, Provincial and Regional governments to sponsor the preparation of an action plan rather than This was done through the another study. Canada-Ontario Tourism Development Sub Agreement. The senior governments contributed 75% of the \$200,000 cost with the Regional and Municipal governments and even Chambers of Commerce picking up the rest.

In a unique move the Welland Canals Society was sub-contracted by the consulting firm of Marshall, Macklin, Monaghan when they were awarded the contract to prepare the Development Guide. The W.C.S. staff provided the background research for the study and conducted the public consultation part of the process. This ensured full local participation.

## How the Development Guide is Working

The Welland Canals Corridor Development Guide is first and foremost a broad strategy for heritage based tourism development. It contains suggestions, some with pre-feasibility studies, for ways in which parts of the overall strategy might be realized. But its essence is flexibility and responsiveness to market opportunities.

The Guide recommends a management structure to co-ordinate the broad range of activities envisioned and to facilitate the accessing and application of the public sector investment needed to stimulate growth. The exciting feature of the process to date is that while the discussion on the most appropriate government management structure continues both the private sector and the various municipalities are proceeding with elements of the Welland Canals Development strategy. Once again it is the grass roots leading the way.

#### The Size of the Prize

As a condition of the Federal Government Innovations grant that is enabling the W.C.S. to experiment with its role as a non-governmental development agent, their activities are being formally monitored. The internationally respected firm of Coopers & Lybrand have recently delivered an evaluation. In it they conclude firstly, that the W.C.S. has "created a role for itself as an economic development broker", and that the Society's "approach to regional economic revitalization has application to other communities across Canada".

As a measure of this success Coopers & Lybrand estimate that the W.C.S. activities have already

created 37 person-years of employment and have generated \$1,167,560 total economic benefit.

And what of the future of Welland Canals Corridor Tourism Development. Coopers & Lybrand estimated the economic and employment impacts of a series of key projects. Development of a single Bed & Breakfast establishment, for example, would require about \$20,000 of private investment and would create 1.1 person years of employment and about \$7,000 in direct and indirect economic benefits. At the other end of the scale would be the conversion of an old mill building into a destination hotel and restaurant complex. Four and a half million dollars of private investment would convert into 110 person years of construction employment and double itself in economic benefits. Both large and small scale developments would result in long term employment as well.

The Welland Canals Development Guide too, contains encouraging economic forecasts. A simulated tour of the Great Lakes that uses an adapted flight training unit similar to the "Tour of the Universe" in Toronto is proposed as an attraction for Port Colborne. From an investment of under a half a million dollars an investor could expect a positive cash flow within five years and a favourable internal rate of return over the 20 year projected operation of the attraction.

Coopers & Lybrand estimate that the realization of the Canals Development Guide concept "could result in the creation of over \$300 million in new economic activities and several hundred permanent jobs. It is little wonder that things are beginning to move fast in Niagara.