



Plagued by complications and delays during its construction, the Tay Canal was not free from problems even once it was completed. Although there was a marked improvement in the navigability of the river, it was still relatively shallow, uneven, and riddled with obstructions and dangers. As well, there was a built-in limit to the scale of trade up the river, as only smaller barges and boats could fit through the cheaper gunboat locks. Larger steamboats could not fit through, and even those smaller ones that fit faced risks of running aground or encountering a rock or obstruction in the shallow river. (H.R. Morgan "The First Tay Canal"; pg. 10) (Larry Turner "The First Tay Canal in the Rideau Corridor, 1830-1850"; pg. 46, 66)

This made "transshipment" necessary - unloading cargo from larger steamboats onto barges that could more easily navigate the Tay. Steamships would often tow their own barge to the mouth of the canal, where there were warehouses and forwarding companies set up. This process was unavoidable, in light of the limited navigability of the Canal, but it increased costs, time, and the probability of wares getting damaged, greatly reducing profits and feasibility for those shipping goods. Despite that, it was still the best way to ship to and from Perth and the surrounding area, as the roads were still quite rough to travel on. (Larry Turner "The First Tay Canal in the Rideau Corridor, 1830-1850"; pg. 66)



This new opportunity for enterprising profit, however, brought up old rivalries; while the TNC had warehouses set up on Stonehouse Point, just outside of Port Elmsley in Rideau Lake, Alexander Weatherhead had also set up his own rival forwarding and transshipment business at the base of the Canal (at a much more strategic location than that owned by the Navigation Company). Additionally, Weatherhead backed a moderately-sized steamboat called "The Tay", which travelled the canal routinely.

Weatherhead's transshipment venture was supported by W & J Bell, merchants and sons of Rev. William Bell. The Bells shipped between Montreal and Perth regularly with their barge "The British Queen", so their support of Weatherhead would have been quite a boon to his forwarding business, while their outspoken criticism of the Tay Navigation Company's forwarding methods would have been quite a thorn in its side. This severe competition lessened the TNC's profits and ability to recoup expenses from the construction and upkeep of the canal; it was becoming increasingly difficult for them to stay justified and afloat as a company. (Larry Turner "The First Tay Canal in the Rideau Corridor, 1830-1850", pg. 48, 66, 70, 93-94) (G. Attar-Hassan et al "Rideau Canal Preliminary Site Study Series, Tay Canal Branch, Beveridges - Perth"; pg. 29)

These extra tolls and issues made the canal's communication to the Rideau system not nearly as profitable and free as it was intended to be. While it may have been of immeasurable use to the local denizens of the time, the unpredictable canal did not manage to generate much of an incentive for those from Montreal, Bytown, or Kingston to send products down it regularly, when they could just keep to the cheaper and more accessible Rideau route.