

the greater part of our shipping is now under mortgage. It is no unusual occurrence for ships so circumstanced to be sold off in order to pay the mortgagee; and, very frequently, the money a ship has sold for has been insufficient to meet the debt.

From the great increase which the Custom-house books shew in the amount of our exports and imports, a conclusion might be drawn that the Shipping Trade had largely participated in such apparent prosperity; but the very reverse is the truth, and the cause is almost unanimously ascribed, more or less, to the effect of the RECIPROCITY TREATIES, which, by placing the untaxed Foreign ship-owner on an equal footing with the British, have fostered a competition against which the latter is utterly unable to contend; and under which he is gradually sinking since every protective distinction has been removed.

In describing the effects which those treaties have produced on the trade, several witnesses do not hesitate to declare, that if no amelioration is granted, the sooner an English ship-owner carries his capital to Prussia, Sweden, or Denmark, the better; for, so long as the present system is continued, capital embarked in British shipping must be sacrificed in the ineffectual struggle against untaxed competition. Acting on this conviction, several British capitalists have already transferred their establishments to the Baltic, to settle there as Prussian subjects: thus adding their means and their industry to assist in driving the British ship-owner out of the Baltic trade.

The ships of those nations with which Treaties of Reciprocity have been entered into, viz. Norway, Denmark, Sweden, and Prussia, engross from a quarter to a third of our whole Foreign Trade; and to some of our ports the tonnage engaged in the *Timber Trade* is almost altogether foreign. They have increased within the last few years in a very extraordinary, and, to us, destructive ratio; and we are now consequently forced to come down to a rate of