

built under contract at Quebec, a number of ships during the past fourteen years. I have also advanced money occasionally to shipbuilders.

To Q. 2.—Wooden ships, averaging about 1,000 tons register, principally for the Bombay trade.

To Q. 3.—Shipbuilding is at a very low ebb in Quebec, caused mainly by the large number of iron and composite ships built in Great Britain for some years past, which are preferred by shipowners and charterers; partly owing to the monetary panic of 1866, and the want of other markets.

To Q. 4.—A strike occurred amongst the shipwrights here last year. I never remember a regular organised strike amongst them to such an extent before. It was caused directly by the insufficiency of wages; doubtless the cost of living has advanced over earlier years, but the machinery of the strike was borrowed from New York, some French Canadians having brought it from thence.

To Q. 5.—I do not think that Quebec shipbuilders need any protection—using the word as opposed to freedom of trade—and I think that the Government of the former Province of Canada dealt fairly with the shipbuilders with one exception, viz.: they should have insisted on the United States Government granting registers to Canadian built ships when the Reciprocity treaty was concluded.

To Q. 6.—I am of opinion that the return in money of the duties on different articles employed, in the building of ships, was all that a shipbuilder had a right to expect.

To Q. 11.—I do not believe that any of the Banks in Quebec would advance money to shipbuilders, upon the security of new vessels in course of construction, if they had the power to do so.

To Q. 12.—It is beyond question that the rapid increase of iron and composite ships in Great Britain is destroying all demand for Canadian built vessels. The cause is that iron and composite ships get a 20 years' class in Liverpool registry, and 14 and 15 years at Lloyds', that their wear and tear is a mere nothing as compared with wooden ships, and consequently their annual depreciation in value much less: they are stronger, rarely leak, and are insured at a lower rate of premium.

To Q. 13.—I am of opinion that composite ships could be built in Quebec profitably and that our builders could compete successfully with other nations; the only difficulty lies in the want of experience in dealing with iron, and in the details of construction. At present it would be best to import from Liverpool, Glasgow, and Wales, all the iron in a prepared state. The cost of importing all the iron and even the teak necessary for a high class ship from Great Britain would not exceed \$2.50 to \$3 per ton register, whilst the ships would make a clear profit of about \$4 per ton by taking a cargo of deals or grain from Quebec to Great Britain.

To Q. 14.—As I said in reply to question No. 5, shipbuilders in Quebec do not need any protection; all they need is a fair field and *markets all the world over*, some of which are now denied to them. The immediate difficulty is this: shipbuilding is in a state of transition; wooden ships are nearly out of date, and new principles of construction are adopted. The favourite ship in Great Britain at present is the composite, but the very few builders here who have some means, are afraid to risk them in building ships the cost of which they cannot estimate, and merchants for the same reason are shy of advancing money to those who have no means. It is certain that the first builders of such ships would sink a considerable sum in experiments and from want of experience, which could be saved in subsequent ships, and it is clear that their neighbours may derive all the benefit of their expenditure without sharing in the loss. For these reasons I think the Government might, as an exceptional case, come forward and offer a bounty of \$4 to \$6 per ton on the first three or four ships built, which would, I think, be sufficient to set the trade agoing.

To Q. 15.—The great want of our builders is new markets for their ships. All that they want even now to ensure a great amount of prosperity is the United States' market, which they are justly entitled to, seeing that for the past 17 years all United States built vessels have been admitted to registry in every part of the British Empire on the same terms as Colonial built vessels. At one time they paid 1s. per ton for registry, but even this is now abolished. No treaty of reciprocity should ever again be concluded without obtaining this privilege. The French market is now open on reasonable terms, and some ships