

CANADA.

Your memorialists refrain entering into the causes of the comparative cheapness of United States over Canadian vessels. Their duty is accomplished in calling attention to the fact, and respectfully urging on the attention of Your most Gracious Majesty, the necessity of repealing the laws which occasion the evil, and prevent this colony availing itself of all the advantages which nature has liberally placed within her reach in the possession of so noble a stream as the St. Lawrence. Your memorialists are perfectly convinced, after thorough investigation, that after our inland means of communication are completed, when vessels capable of carrying 3,500 barrels of flour, and upwards, may sail without breaking bulk from the upper Lakes to Montreal or the ocean, nothing but the restrictions imposed upon us by the Navigation Laws in question, can operate to prevent that river being the channel through which the great bulk of the western trade, both upwards and outwards, shall be conducted. They therefore feel it incumbent on them to make the most strenuous efforts to obtain a modification of these laws; and they accordingly humbly appeal to Your most Gracious Majesty to concede this great reform, compared with which every other sinks for the moment into utter insignificance.

Summing up, then, what has been already stated in detail, your memorialists conclude by entreating Your Majesty to be graciously pleased to further their efforts in obtaining for this colony the reforms alluded to, which they humbly conceive to be essential to its prosperity, and justly due to it as an equivalent for the advantages which Canada formerly enjoyed; they are briefly,

1stly. The repeal of the Imperial differential duties.

2dly. Such a modification of the British Navigation Laws as will leave us free to employ, at our option, the cheapest vessels we can procure, whether they be British or foreign, and

Lastly. The removal of all restrictions that now operate against the free navigation of the St. Lawrence.

All which is respectfully submitted.

(Signed) G. MORFATT,
President of the Montreal Board of Trade.

26th August 1846.

No. 5.
Governor
Earl Cathcart
to
Earl Grey,
27th August 1846.

(No. 117.)

COPY of a DESPATCH from Governor the Earl CATHCART, K.C.B. to
Earl GREY.

No. 5.

No. 51., p. 5.

My Lord, Government House, Montreal, 27th August 1846.
My despatches to your Lordship's predecessor have already invited the attention of Her Majesty's Government to some changes which the financial and commercial interests of Canada will require, in consequence of the alterations in the Corn Laws, and the gradual depression in the trade of the province.

I have adverted, in a former despatch, to one particular case, in which an alteration in the Navigation Laws would draw a part of the American trade through Canadian waters, and thereby increase the tolls on the canals of the province.

A fuller consideration of this subject, in connexion with various representations which have been made to me, induce me earnestly to intreat your Lordship's consideration to a more extensive change in the Navigation Laws, as being really necessary under existing circumstances.

The revenue of the great canals to be derived from transporting the produce of the western country, as well American as Canadian, must be hereafter looked to as the principal, if not only source, for paying the debt incurred by Canada in their construction.

Sound policy will, of course, dictate the keeping down the tolls to the lowest possible rate consistent with the proposed object. It becomes, therefore, important to endeavour to reduce the cost of transporting such produce to the market of consumption as much as possible, in order to maintain the tolls, and yet make this route preferable, in point of cheapness, to any by the United States.

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