

(No. 3.)

No. 2.

COPY of a DESPATCH from Governor-General the Earl of ELGIN AND KINCARDINE to Earl GREY.

Government House, Montreal,
January 3, 1849.

(Received January 23, 1849.)

MY LORD,

WITH reference to the petition to Her Majesty from the Board of Trade of Montreal, transmitted in my Despatch, No. 2, of this day's date, I have the honour to enclose herewith, for your Lordship's information, a printed letter, of which a copy has been sent to me, addressed to the President of the Board, and signed by several merchants of high respectability, Mr. Holmes, one of the members for the city, being of the number.

I have, &c.,

(Signed) ELGIN AND KINCARDINE.

The Right Hon. Earl Grey,
&c. &c. &c.

Enclosure in No. 2.

Encl. in No. 2.

To the Honourable PETER MCGILL, President of the Montreal Board of Trade.

SIR,

IT is with extreme regret that we find ourselves, as Members of the Board of Trade, under the necessity of taking exception to a petition to Our Gracious Sovereign the Queen, adopted on the 11th instant, by the Council in the name of the Board. Against that act of the Council (a body consisting of 11 members, 6 of whom only were present on the occasion) we beg respectfully to protest, being of opinion that the petition should have been called what it really is, that of the Council and not the Board, inasmuch as it was not submitted to the latter, and consequently cannot, in strict propriety, be called its petition. Had it been deliberately adopted by the Board after full discussion, we should have cheerfully submitted to it as the opinion of the majority, but under existing circumstances we beg respectfully to state, that we dissent from it as containing principles which we cannot acquiesce in—details which are at variance with our knowledge of facts; and sentiments which are not consistent with our convictions. For instance, the petition states:—

“That the most prominent of the changes referred to, is a growing commercial intercourse with the United States, giving rise to an opinion, which is daily gaining ground on both sides of the boundary line, that the interests of the two countries under the changed policy of the Imperial Government are germane to each other, and, under that system, must, sooner or later, be politically interwoven.”

Now, whilst we admit that we consider the interests of the two countries to be “germane” to each other, we dissent entirely from the conclusion which the Council seems to draw therefrom, and to imply that the country participates in, viz.:—That it must precipitate a political connexion between this colony and the United States. Such, in our opinion, is a wrong interpretation of the general feeling of the people of this province. On the contrary, we would interpret it to be that a feeling of disaffection is likely to arise against the mother country, unless she promptly removes the obstacles and restrictions which we have a right to complain of, and which prevent our acquiring that perfect freedom of commerce which the essential interests of the colony require, subject to such restrictions only as the wants of our local Government in the matter of revenue render indispensable.

The next points in the Council's petition to which we object are to be found in the following paragraphs:—

“Firstly.—The result of a total cessation of the differential duty on grain in England, will be to make New York the port of shipment for the great bulk of the produce of Canada, in consequence of the greater cheapness in forwarding it to the markets of England by way of the United States, than by the former route of the St. Lawrence. This is a statement which in the opinion of your petitioners cannot be refuted, whether with reference to our past experience, or to any future probable changes in the cost of forwarding by either route.

“Secondly.—The port which is found to be the most eligible for the exports, will also be found to be the best suited for the imports of a country, for one reason, among many others in this case, that inward freight cheapens outward freight, and vice versa; accordingly New York must inevitably become the port of import for Canada to the serious injury of the trade of the St. Lawrence.

“Thirdly.—The bonding system introduced by the American Government, by means of which British and foreign manufactures may be purchased in New York on much the same terms as in Montreal, must have the effect of attracting the merchants of Canada to New York for the purchase of their supplies, if that city shall become the port of import and export for Canada, and thus the ruin of the trade of the St. Lawrence, of so much importance to Great Britain and this colony in a national point of view, cannot fail to be consummated.”

We must respectfully deny what the Council assert respecting the greater cheapness of forwarding produce to the markets of England by way of the United States than by the route of