

That the operation of this law has been greatly to increase the inland importation into Canada of various articles the produce of foreign countries, such as teas, wine, fruit, sugar, coffee, molasses and others, so much as to cause a sensible diminution of the import of these articles by the St. Lawrence; and your petitioners, in corroboration of the statement, solicit your attention to the fact, that in the article of sugar alone, the importation into Canada from the port of Oswego, in the United States, amounted in 1845 to 1,600 hogsheads, and previous to the enactment of the Drawback Bill, the exportation from that port did not amount to 50 hogsheads, and further, that the importation of Muscovado sugar, by the river St. Lawrence, in 1844 was 8,177,581 pounds, and in 1845, 2,853,240, being a diminution of 5,324,341 pounds.

That the cause of the increased inland importations into Canada of these articles through the United States, and the diminution of the imports by the channel of the river St. Lawrence, is, in the opinion of your petitioners, to be attributed to the American Drawback Bill, the existence of the imperial duties on imports by the St. Lawrence, and the higher tolls on our canals as compared with the tolls in the United States.

That the effect of the existence of the imperial duties on imports by sea, in conjunction with the Drawback Bill, is to erect a barrier to the passage through our canals of the produce of foreign countries and British manufactures, and to neutralize the benefit to be derived by Her Majesty's subjects in Canada in constructing those magnificent works at an enormous expense, and, in fact, to enact a penalty on their being used, a state of things that never could have been contemplated when these works were commenced.

Your petitioners, therefore, respectfully suggest, that the imperial duties under the Act of 8 & 9 Vict., c. 93, on all flour and provisions imported into this province by inland navigation, be repealed, and that such articles so imported and conveyed through the channel of the river St. Lawrence, to a shipping port, should acquire a colonial character, and be admitted into the United Kingdom on the same terms as the produce of the province, and that the imperial duties on all importations by sea only be also repealed.

Your petitioners presume to suppose that these measures would not directly or indirectly be prejudicial to British interests, while they would secure to this province a large inland carrying-trade, employ British capital, create an extra demand for labour, increase the consumption of British manufactures, augment the revenue of our splendid canals, and above all, give further employment to British shipping, especially in the conveyance of flour and provisions imported inland for exportation to British ports, which is made manifest by consideration of the fact, that upwards of one-third of their cost consists in the incidental charges of inland transportation and Atlantic freights; and your petitioners further presume to suppose, that an extensive inland trade once established through the channel of the St. Lawrence, would continue to flow in that direction after the cause that diverted it from other outlets to the ocean had ceased to exist.

Your petitioners perceive that the article of timber is one of those which it is intended by Her Majesty's Ministers to protect to a certain extent, by reducing the present differential duty from 25s. to 15s. per load; but they beg to observe, that the present is an apparent, not a real protection, inasmuch as the average rate of freight between timber imported from the Baltic and North America is fully 20s. per load in favour of the Baltic, from the greater distance from America to Great Britain, reducing thereby the real protection to about 5s. per load; and if the apparent protection is reduced to 15s. per load as contemplated, it will in effect be equivalent to a premium in favour of Baltic timber of 5s. per load; and it is important also to observe, that that very distance, which thus places colonial timber in so disadvantageous a position, makes the North American colonial trade the great nursery for British seamen, and promotes the shipping interests of the United Kingdom.

Your petitioners, therefore, respectfully suggest, that the proposed reduction of duty on Baltic timber of 5s. per load, 5th April 1847; 5s., 5th April 1848, be reduced to 2s. 6d. per load at those respective dates; and that the contemplated reduction in the duty on sawn timber be reduced proportionately.

By order of the Council of the Board of Trade,

(signed)

W. WALKER (L.S.), President.
W. STEVENSON, Hon. Sec.

Quebec, 16 March 1846.

No. 10.

(No. 31.)

COPY of a DESPATCH from the Governor the Earl CATHCART, K.C.B., to the Right Honourable W. E. GLADSTONE.

Sir,

Government House, Montreal, 27 March 1846.

At the request of the Montreal Board of Trade, I submit for your consideration a Memorial addressed to you by that body, praying the repeal of certain duties imposed by the Imperial Statute 4 & 5 Vict. c. 49. upon various articles imported into Canada from foreign states.

I have, &c.

(signed) CATHCART.

No. 10.

Governor Earl Cathcart to Mr. Secretary Gladstone,
27 March 1846.