

TO THE HONORABLE THE COMMONS' HOUSE OF ASSEMBLY.

Your Committee to which was referred His Excellency's Message, laying before Your Honorable House, a statement of the Tolls on the Rideau Canal, proceeded to examine into the effects resulting to the Commerce of this Province from the construction of that work, and beg leave to make the following Report :

They find by an examination of a number of respectable Millers and Merchants—that since 1835, the freights on imports and exports have been actually increased, at least, fifty per cent., instead of being decreased in that proportion. It is notorious that in 1835 and 6, the price of conveying a barrel of Flour from Prescott to Montreal was 1s. 3d.—whereas the price now paid is 2 shillings. Again, the price of carrying a ton of Goods from Montreal to Prescott was £2 10s. per ton weight—whereas we now pay £2 10s. per ton, by measurement, the difference in which is at least fifty per cent.

Your Committee have also examined into the results of similar undertakings, and find that the price of conveying one cwt. of merchandise from Buffalo to the Hudson, prior to the construction of the Erie Canal, was 25s.—but since its construction the freight has been reduced to 2s. 6d. per cwt. Before the construction of the Welland Canal, the cost of carrying flour from Port Erie to Queenston was 2s. 6d. per barrel, and since the construction of that work, the same article is carried for five-pence,—although we admit the natural obstructions by the Saint Lawrence were not equal to the hindrance by the other routes, nevertheless, the very striking contrast in the effects produced in reducing the price of freights on the above Canals, compared with the results produced from the construction of the Rideau, induced Your Committee to examine minutely into the causes which have led to such an extraordinary and unprecedented result.

Your Committee also find that on many Canals a tow-path is provided by the Government or Company constructing the same. This opens the Canal to all classes of competitors who may place thereon a simple and cheap power propelled by Horses, and thus producing an active competition; but as a tow-path could not be constructed on the Rideau Canal, it became necessary to substitute Steam power therefor. However, the defect in the present system is apparent from the fact, that one Company has obtained the entire possession of all the Steamboats on the Canal, which gives them the same power that the exclusive possession of the towing-path on the Welland or any other Canal would confer on a private Company. No craft can pass up except by submitting to such terms as they choose to exact, consequently all the forwarders formerly on the Saint Lawrence, have entered into an agreement—and thus have constituted a formidable monopoly—subjecting the public to the payment of any price they may please to impose.

Your Committee recommend that the communication should be placed in such a situation, that trans-shipment of produce or merchandise should be unnecessary. To obtain such an object it will be necessary:—1st. To remove the arches over the Rideau and Lachine Canals and substitute Swing Bridges as are now on the Welland. 2nd. By purchasing the Lock at the Saint Anns' from the present proprietors—or by constructing another for the benefit of the public. 3rd. The managers of the Canal should be desired to place as many Steamers on the Navigation as to ensure a regular daily line from Montreal, which would enable a vessel capable of carrying 800 to 1000 barrels of Flour, to pass from any port on the Upper Lakes, by the Saint Lawrence, direct to Montreal, and to return by the Canal to Kingston, which is now impracticable, or to pass an net limiting the towing, and thereby preventing injurious combinations.—Thus affording the public all the advantages derived from the limited dimensions of the Lachine Canal. The cost of the first improvement would hardly exceed the sum of £2,500

For the purchase of the Lock.....	4,000
The cost of Seven Steamers.....	25,000

The practical operation of this plan will be first to reduce the freight, to at least, one half the present prices. Second to enable the Canal to rival as a large freigher, the grower being enabled to pay toll on downward freight (which is not at this time exacted) in consideration of the facilities afforded on return cargoes; and merge the transportation materially by diverting the trade from the Erie Canal, which will be the effect of reducing the price of transportation on the Saint Lawrence. This last mode of obviating the difficulties prevented, Forwarding Companies rendered unnecessary, as the communication and the means of conveyance would be open to every person who can command sufficient capital to build a Barge or Vessel.

General dissatisfaction has prevailed in all parts of the Province for the last two years amongst all classes of the trading community, from having been subjected to an increase of freight instead of a reduction which had been anticipated on the completion of the Rideau Canal, but no means of redress has heretofore offered until the appointment of a Council in Lower Canada. Your Committee, therefore, (with a view of affecting the objects contemplated in this Report) recommend the accompanying Resolutions, for the consideration of Your Honorable House.

All which is respectfully submitted.

G. H. DETLOR,
Chairman.

Committee-Room, House of Assembly,
22d April, 1839.

Resolved—That this House feel deep regret that an noble a work as the Rideau Canal should, from want of due precaution or proper management, have a tendency rather to embarrass than promote the Commerce of this Province.

Resolved—That from the evidence obtained, by a Committee of this House, it appears that, instead of the freights or transportation of the products and merchandise, the growth and consumption of the Inhabitants of this Province, having been reduced in price, it has actually increased from fifty to one hundred per cent.

Resolved—That in the opinion of this House, the causes which have produced this unprecedented result arise:—1st. From the obstruction of the navigation, consequent upon the only Lock at Vaudreuil, being under the control of one Company; and, 2d. From the

Resolved—That an Address be presented to His Excellency the Lieutenant Governor, requesting he will be pleased to transmit a copy of the Report of a Committee of this House, to His Excellency Sir John Colborne, requesting him to recommend the passing of an Ordinance, to the following effect:

1st. Authorizing the purchase of the Lock now held by a private Company at Vaudreuil, or the construction of another.
2d. The removal of all arched Bridges, over the Lachine and Rideau Canals, and substituting Swing or