

CORRESPONDENCE

UPON THE

OPERATION OF THE NAVIGATION LAWS.

CANADA.

No. 1.

(No. 54.)

No. 1.

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

Government House, Montreal, May 12, 1848.

(Received May 31, 1848.)

MY LORD,

THE Memorandum of my Executive Council on the subject of the Navigation Laws, as affecting the trade of the St. Lawrence, which I have the honour to enclose herewith, was this day placed in my hands. As the subject to which it relates is of much importance, I transmit it without delay, being fully assured that the statements which it contains will receive your Lordship's best consideration.

I have, &c.,

(Signed)

ELGIN AND KINCARDINE.

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

Enclosure in No. 1.

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To His Excellency the Right Honourable the Earl of ELGIN, Governor-General of
British North America, &c. &c.

MAY IT PLEASE YOUR EXCELLENCY,

THE Committee of the Executive Council feeling great anxiety on the subject of contemplated proposals for the amelioration of the Navigation Laws, as applicable to this colony, and also respecting the navigation of the St. Lawrence River, proposed to be thrown open to American vessels, both which subjects have received careful consideration of the Legislative Assembly, and on which a great unanimity of opinion appears to prevail in this colony, are desirous of expressing their views to your Excellency for the consideration of Her Majesty's Government.

So long as it was a part of the policy of the empire to give a preference to colonial products in the markets of the United Kingdom, the monopoly of the carrying-trade was with great consistency and justice given to British shipping. The advantage to the colonists in the British market, afforded by means of protecting duties, generally enabled them to overlook the disadvantage of having the markets of the United States closed to them by duties levied in that country in favour of native productions; of having all competition in the import and export carrying-trade excluded from their ports; of being forced to employ British ships, making a voyage from England without freight, in carrying the heavy exports of the country to market, the voyage to England, necessarily bearing the expense of the voyage to Canada; while foreign vessels which might have resorted to the ports of Canada, were excluded from taking the products of the country to the British market, and consequently had only the profits of one voyage to pay the expenses of two. The advantage and disadvantage of this system of protection and monopoly alternated according to circumstances, but on the whole, the colony, while her products were protected in the British market, did not complain of the monopoly in favour of British shipping, which seemed to be an essential point in the policy of the trade of the empire.

The country of Canada at all times laboured under a disadvantage, as compared with the more southern portions of America, in having her ports closed by the ice during a considerable part of the year. The shipping ports are also at a great distance from the open sea, and the navigation, after entering the Gulf of St. Lawrence, was liable to be tedious, and at the early and late periods of the season dangerous. Freights and insurances were thereby enhanced, and it was not always that the high protecting duties of the British Corn Laws placed Canadians on as favourable a footing as their American neighbours.

To counterbalance these natural disadvantages, the river St. Lawrence afforded a splendid inland navigation from the interior, superior to that by the Mississippi, because of the climate through which the articles of export had to pass, and superior to the long and comparatively narrow navigation of the Erie Canal, unavoidably tedious and expensive.

The enterprize and energies of the colony have been for a long time almost exclusively

* This Despatch has been already laid before the House of Commons, in answer to an Address, dated 1 June, 1848, Sessional Papers, House of Commons, No. 405, of 1848.