

articles happened to be better on this side of the Atlantic than on the other consequently the American ship obtained freights both ways, whilst the British ship was obliged to proceed in ballast to America in order to load a cargo back. The recent repeal of the Navigation Laws in both countries has left it open to the ships of each to carry cargoes of all descriptions of goods from the one end to the other, but the United States vessels have enjoyed the monopoly for so many years, that it will be found extremely difficult, if not actually impossible, for British sailing ships to interfere with it. An attempt to do so was made early this year by a member of this committee, who purchased at Liverpool three fine new ships, of 1,000 to 1,200 tons register each, and intended to buy some others, for the express purpose of establishing a regular line of British packets between London and New York. They were ballasted out with iron, salt, and other heavy goods, at very low freights, and filled with Irish emigrants at cheap rates. When each vessel was put on the berth at New York to load for London, the owners of the American packets reduced their freights 25 per cent., and the English ships, not being so well known, were obliged to accept still lower rates; the result of the voyages being a loss to the British ships instead of a profit. As the American packets sail every week from both sides, and an individual British shipowner could hardly venture to send ships more frequently than once a month, it is evident that the Americans, by lowering freights by one ship out of four, when theirs was in competition with the British ship, could easily force the latter out of the trade; and on consideration of these facts, the owner of the three ships in question felt bound, as a matter of prudence, to withdraw them from the New York trade, and they have all proceeded with Government emigrants to Australia.

The British and American steam ships from Liverpool to New York are of nearly equal amounts of tonnage, and consist almost wholly of the Cunard and Collins subsidised vessels; the former containing, besides, two trips of the "Sarah Sands," and one each of the "Great Britain" and "Andes," the latter being the first of a line of screw steamers building by the Cunard Company for New York, Jamaica, and Chagres.

We have reason to know that your decision upon our present application is looked for with great interest in France and in the United States, as well as in this country. A member of this committee has received overtures from influential parties in France, who state that they are prepared, in the event of this company not being established, to form a society "*en commandite*," with limited responsibility, which the laws allow them to do without trouble or expense, for the purpose of sending French screw steamers from London to Havre and New York; and they also state, that the French Government has promised to give all possible encouragement to the project, including the admission of iron, fuel, and other materials free of duty. Respectable parties at New York state that they are watching the movements of this company, with the intention, if it should be abandoned, of immediately establishing a company, with limited liability, for the purpose of building iron screw steamers to trade with this country, and they express a sanguine expectation that their Government and Congress will consider this object of such great national importance that they will remit the whole, or a great part, of the duties on the materials required.

It appears from the evidence of Mr. Bancroft Davis, the American Secretary of Legation, that the cost of forming a company with limited liability amounts to from 10 s. to 5 l. only.

At present England possesses great advantages over France and the United States in the production of iron screw steamers, from its command over the skilled labour, as well as the materials required; but if the Government of England refuse to grant the necessary facilities to induce the investment of capital in British vessels of that description, we are convinced that 12 months will not elapse before a beginning will be made both in France and the United States; and as the shares in such companies as we have alluded to are made payable "*au porteur*," and pass from hand to hand without registration or stamp duty, any amount of capital may be procured in this country in aid of the projects.

The inevitable consequence, therefore, of charters of incorporation being refused to companies such as this, will be, that the natural advantages of England will be thrown away, and we shall see fleets of screw steamers in our ports under the flags of France and the United States, provided, perhaps, in great measure by British