

CORRESPONDENCE

BETWEEN THE

GOVERNOR-GENERAL OF CANADA AND THE SECRETARY OF
STATE FOR THE COLONIAL DEPARTMENT,

UPON

THE OPERATION OF THE NAVIGATION LAWS.

(No. 2.)

No. 1.

CANADA.

No. 1.

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,

I HAVE the honour to transmit herewith, with the request that your
Lordship will be pleased to lay it at the foot of the Throne, a petition to Her
Most Gracious Majesty the Queen, from the Montreal Board of Trade.

I have, &c.,

(Signed) ELGIN AND KINCARDINE.

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

Enclosure in No. 1.

Encl. in No. 1.

TO HER MOST GRACIOUS MAJESTY THE QUEEN.

The Petition of the Montreal Board of Trade.

HUMBLY SHOWETH,

THAT the abandonment by the mother country of her protective policy, is producing
important changes in the commercial relations of this colony, which, unless regulated or coun-
teracted by wise legislation, may lead in the end to consequences which every loyal subject
would deplore.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.That being deeply interested in the trade and prosperity of this province, and moreover, in
common with the great mass of the population, being devotedly attached to the institutions of
Great Britain, and desiring to see the existing colonial connexion which unites us perpetuated,
your petitioners most respectfully take leave to lay before Your Majesty the following repre-
sentations:—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 con-
sequence of the greater cheapness of 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 expe-
rience 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.