

— No. 8. —

Burlington Hotel, Cork-street,

4 November 1852.

Sir,

With reference to an application now before the Board of Trade for a charter, with limited liability, from parties proposing to form a company to trade with screw steam ships between England and North America, I beg respectfully to state, that this is a trade well understood; that there is no want of means or capital to prosecute it, in the usual mercantile course, in which the parties owning the ships are liable for all debts contracted.

I annex a list of screw steam ships that have been engaged in this trade, and it is well known that my partners and I have for the last 15 months been building screw steam ships for this trade, four of which are now nearly ready for sea, and two others are in progress. We shall commence running on the 8th of next month, and shall continue to depart at regular periods during the year.

If the trade should justify the employment of a greater number of ships, there are plenty of mercantile houses in this country ready to embark their capital in it without an Act of Incorporation to protect them. It does not appear to me to be justice to those who have embarked their capital in a legitimate trade, in the usual course of business, and in the prosecution of which they may have paid dearly for experience, to set up a company, with limited responsibility, the subscriptions to which may be confined to 50 *l.* or 100 *l.* (I believe this company propose the shares to be as low as 20 *l.*). These companies are frequently got up by persons who know nothing about the business; the parties subscribing merely do so to oblige friends who wish to get the management; it is of very little consequence to them; they can only lose 50 *l.* or 100 *l.* If debts are incurred, the public are the sufferers.

It is well known that two companies engaged in steam ships, in the trade between England and America, lost upwards of 300,000 *l.* in a very short period; the unfortunate owners had to bear the whole loss. If they had been under a charter, with limited liability, the public would have lost the money. The Board of Trade may be considered to be the guardians of the public, and not of individuals desirous of engaging in operations in which they are willing to risk only 50 *l.* or 100 *l.*, but which by joint contributions may effect the ruin of the fair trader, who had embarked 50,000 *l.* or 100,000 *l.* in an undertaking of the same kind.

An Act of this description can only be justified where a new trade is to be developed, or where the capital required is more than mercantile houses can furnish. Neither of these reasons exist in this case.

It has been urged as a reason for granting this charter, that the Government give me a subsidy, and that this company is to be got up to oppose me; but that is no just reason.

The Government give me a subsidy for performing a particular service, the plan of which was originated by me, and which has been of great benefit to the Government and to the country at large. Our ships have to depart with the mails at a fixed day and hour, and for a specific port, whether there are passengers or not. These ships, costing 80,000 *l.* or 100,000 *l.* each, with a crew of upwards of 100 men, have frequently crossed the Atlantic with 10 or 12 passengers; they have never failed to depart at the prescribed time, winter or summer; the mails have been regularly conveyed, and the postage received by Government is more than the subsidy paid to us by the Government. The postal communication between Europe and America has been maintained in the most regular manner by this line for upwards of 12 years, without loss to the country; all other lines are maintained at a heavy expense to the Government. The mails cannot be sent by private ships, as their departures are irregular, depending entirely on freight and passengers; the days of departure are constantly postponed.

The American Government having doubled the subsidy to their mail steam ships, we have been compelled to reduce our passage and freight to one-half of the former rates, besides being obliged to build larger and more expensive ships to compete with the American mail steam ships. These are considerations that entitle us to the protection of the Government, instead of their granting privileges to others to injure us.