

CORRESPONDENCE.

CANADA.

No. 1.

(No. 51.)

COPY of a DESPATCH from Governor the Earl CATHCART, K.C.B.
to Mr. Secretary GLADSTONE.

Sir,

Government House, Montreal, 12th May 1846.

My attention has been drawn to the subject of the transit of American vessels from one American port to another, through the inland waters of the Province of Canada, in like manner as they pass through the Welland Canal.

The opinion of the law officers of the Crown in England, it is understood, has been given to the effect, that American vessels may, according to existing laws, freely navigate the St. Lawrence and the Lakes, as far down as the Port of Montreal, the most inland port of entry from sea, but not lower.

This opinion has prevented American vessels from carrying on communications by water between Fort Covington on the Salmon River, down the St. Lawrence to Sorel, and thence up the River Richelieu to Lake Champlain, because they cannot do this without passing through the Port of Montreal.

American vessels are now permitted to pass from Fort Covington down that part of the Salmon River which is exclusively within British territory, into the St. Lawrence, in a part also exclusively within British territory, and thence up the latter river to the Lakes.

I am informed there would probably be an extensive transport trade, if the American vessels were permitted to pass to and fro between those points on the St. Lawrence above Montreal and Lake Champlain, in which case the tolls on the Chambly Canal, which are now very trifling, would be materially increased, and would benefit the revenue of this Province, as well on the Canals on the St. Lawrence, as on the River Richelieu.

I have the honour, therefore, to request your early attention to the subject, with a view to obtain any necessary modification in the Imperial statutes regulating the inland trade between the British Possessions and the United States, and to establish such regulations as may be deemed expedient for preventing frauds on the revenue, or an abuse of the privilege granted.

It is possible the Legislature may, among other subjects, address Her Majesty to have the navigation of the St. Lawrence thrown entirely open to the sea. Whatever objections may be entertained to that proposition, it appears to me would not apply to this.

I enclose a sketch, showing the portion of the navigation below Montreal and to Lake Champlain, which forms the subject of this despatch.

I have, &c.

(Signed) CATHCART.

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Governor
Earl Cathcart
to
Mr. Secretary
Gladstone,
12th May 1846.
